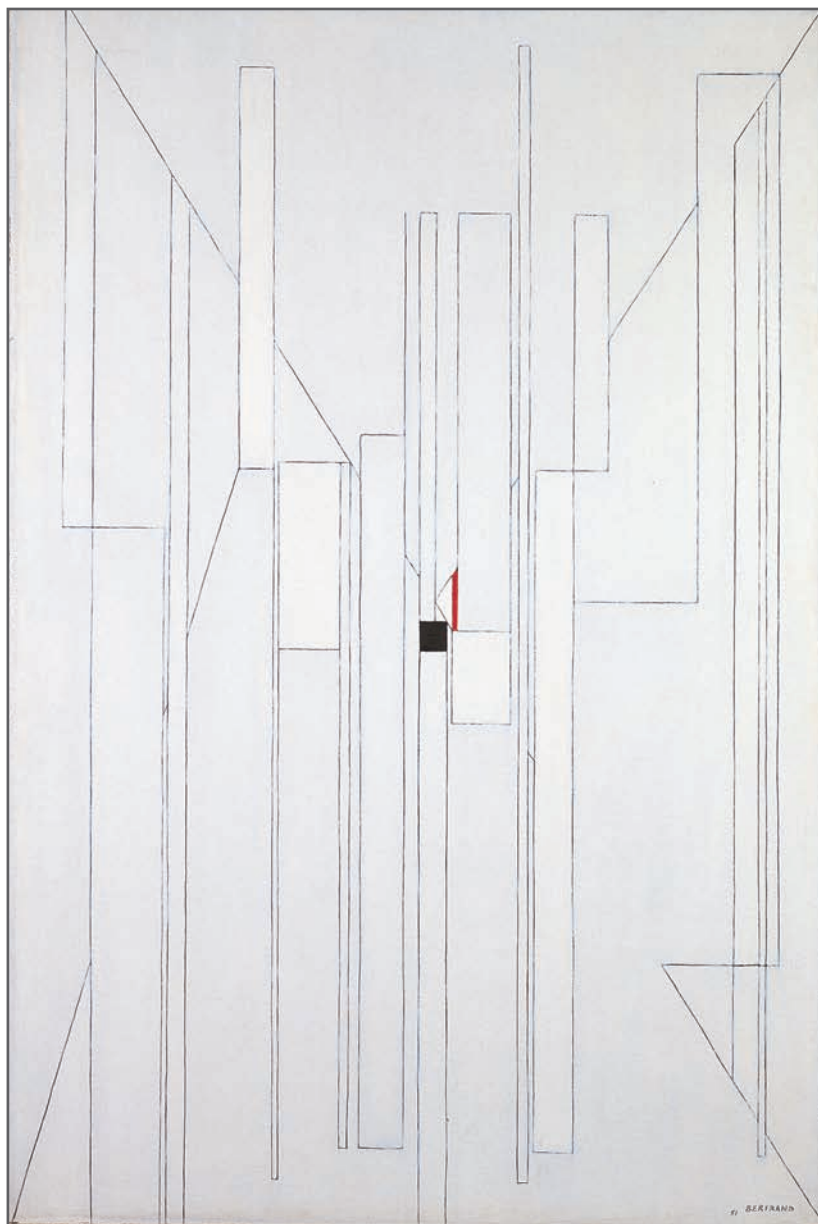


DELEN

PRIVATE BANK



Annual report 2010

Cover
Gaston Bertrand (1910-1994) – The big organs, 1951
Oil on canvas panel - 1500 x 1000mm

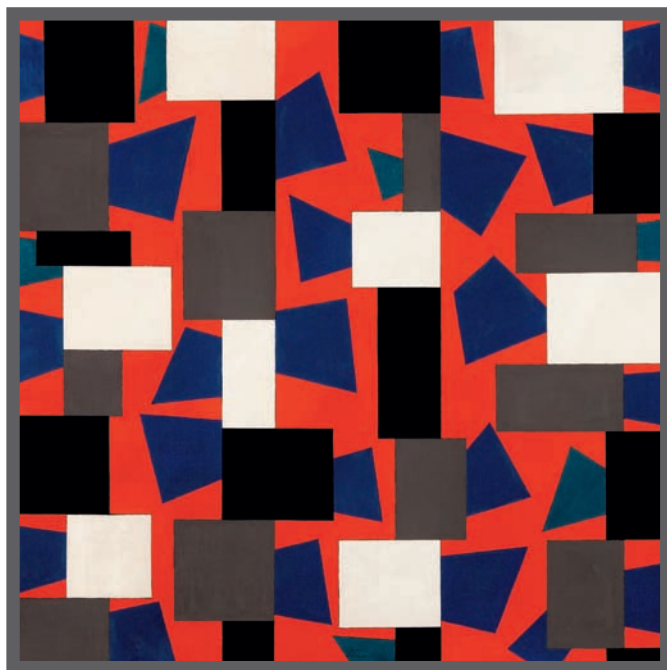


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Statement from the executive committee

2010, a good year?

‘Definitely’, is what you will hear from those who observe the Belgian economy, the banks and the foreign trade. And indeed, the financial performances are quite interesting: jobs were created, the inflation rate maintained a reasonable level and the average Belgian put more money aside for savings. Delen – Private Bank blended in nicely with this evolution: the assets entrusted to us went up, the profits showed a nice growth and the level of employment steadily grew. But 2010 was also an eventful year filled with contrasts. And most importantly, it was not a good year for everyone.



Paul Van Hoeydonck – Composition – 1957
Oil on canvas – 815 x 1000mm

A lot of Western nations (Ireland, Greece, ...) had a lot of trouble guaranteeing the stability of their financial system in 2008. However, the budgetary deficits were not created by sums of money that were invested in banks, but by stimulus measures that were taken to support the economy, which was in recession due to the credit crisis. These interventions were by all means necessary, but they were too severe for the less industrialised nations in the eurozone. Favourable as it may be for commercial transactions, our common currency has shown its limits: it is no longer possible to bring the economy back on track by devaluating a non-common currency. Solidarity between the Northern European nations and adjustments are highly necessary. Measures to relieve the debt are practically inevitable.

The crisis has had a strengthening effect on the nations with a healthy and competitive economy. It also had more or less the same effect on the financial institutions. Those who were not in need of help in 2008 and who had a healthy balance and a recognized specialization were able to enlarge their client base, resulting in a substantial profit growth. It is with great pleasure that we observe that Belgians are having more confidence in small and medium-sized financial institutions.

With regards to our activities of management and patrimonial advice, we make every effort – day or night – to be worthy of this confidence. We do this by searching for investments that

are both profitable and cautious, with a focus on the long-term rather than the short-term. This approach resulted in avoiding loans of southern nations. It is true that these loans offer higher interest rates, however, the repayment perspectives are very insecure. Our basic principles remain simple: offering the best price-quality ratio, ensuring a good spread of investment, and limiting the risks to a minimum. On top of this, the efficiency of our activities is one of our top priorities: we avoid to fragmentise our services and we make optimal use of the most modern information sciences and techniques.

Delen – Private Bank is delighted with the excellent collaboration between the different teams: not only with the administrators and commercial employees of the different divisions of the bank but also with the Bank J. Van Breda & C° offices. This has led to a more efficient unity. We noticed that the divisions in Hasselt and Ghent, which were recently opened by Delen, are among the best performing ones: they realised an excellent growth of their total client's portfolio. Today we can also state that a typical client of Delen – Private Bank is offered a complete service, including wealth management, at any division he or she visits.

The Board of Directors would hereby like to express its gratitude towards all the employees of the Bank once again. Their commitment and efficiency made sure we booked excellent results in 2010 and that an increasing number of clients puts their trust in us.

Extra efforts in the field of communication, combined with the sponsoring of well-chosen events and advertising, have considerably increased the reputation of Delen – Private Bank. Especially in the French-speaking part of the country, where our reputation was lagging a bit behind.

Furthermore, lots of investments in real estate were made: our divisions in Brussels and Ghent are being moved to residences, without neglecting the other locations. We consider the renovations of premises in our ownership to be long-term investments. Next to their function as distinguished location and a stimulating work environment, they are particularly a place where we can welcome our clients in optimal conditions.

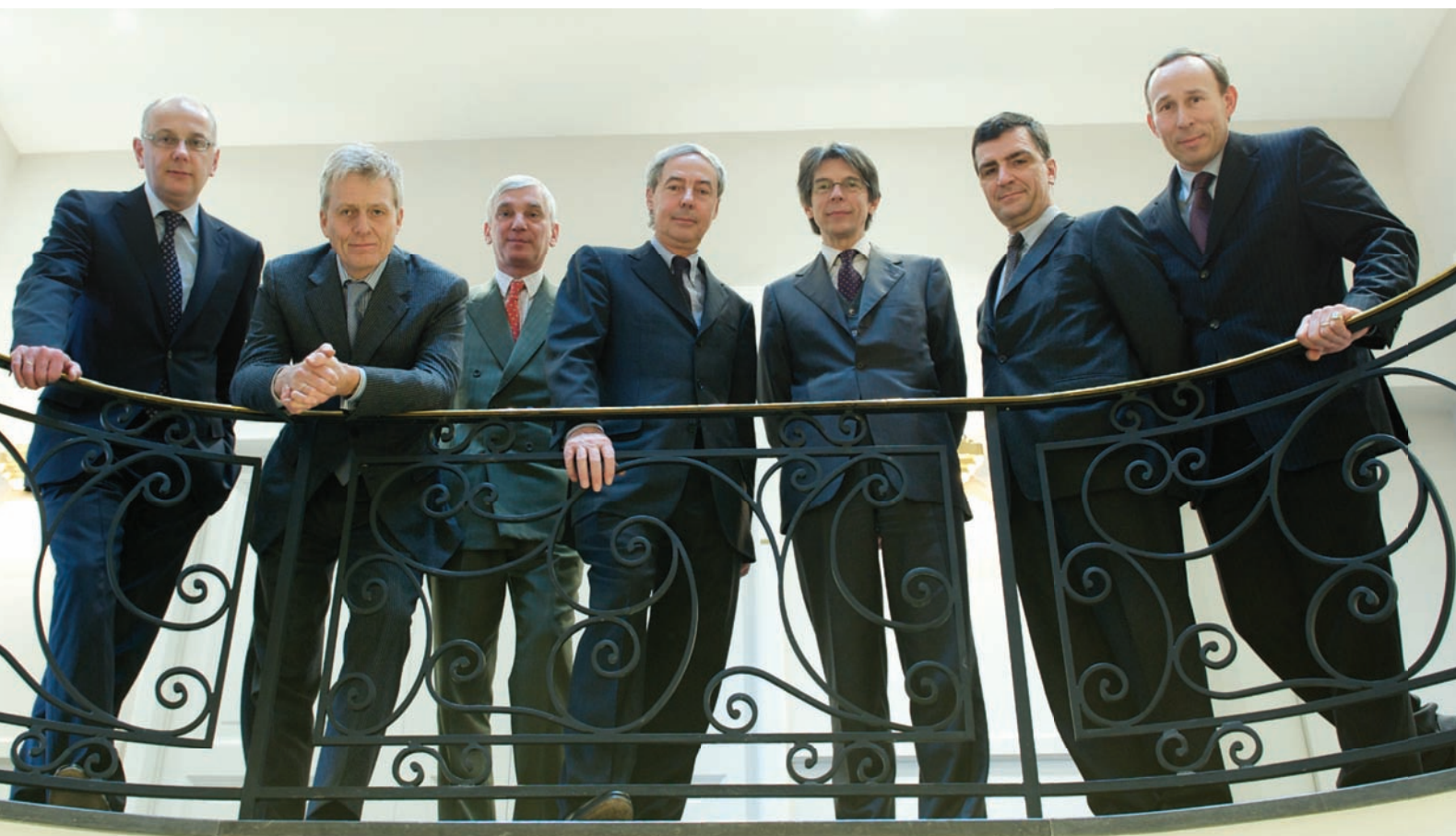
The main challenge for the future will be to continue the development of the strong and consistent results, both for our clients and our bank, and this in a dynamic, fluctuating and volatile environment. There is no doubt that the long-term evolution will have a positive effect on the majority of the investments and

companies. However, the short-term shocks are so numerous that only a strong and coherent policy, combined with great flexibility and opportunism, can realize performances that meet our standards.

Nowadays the future is no longer considered as a copy of an index, a benchmark, or in terms of profit. Delen - Private Bank invests in ethics and durability. This means a redefinition of growth and profit, by focusing on a solid base of our long-term vision instead of following short-lived and fragile economic hypes. ■

*The main challenge for the future
will be to continue the development
of strong and consistent results*

The executive committee of Delen – Private Bank



The executive committee of Delen – Private Bank from left to right:
Paul De Winter, Filips De Fern, Arnaud van Doosselaere, Jacques Delen,
Bernard Woronoff, René Havaux & Thierry Maertens de Noordhout

75 years Delen – Private Bank

From family business to Belgium's best 'private bank'



Jacques Delen, CEO Delen - Private Bank

At first, father André Delen worked for an exchange broker before he started his own exchange office. The enterprise steadily grew: not because of speculations, but by hard work, open communication and investments in solid and efficient work environments. Jacques carried on his father's philosophy.

1974 "Since 1974 we have grown 10 to 15% every year", says Jacques Delen. "Recently, this attracts more attention because it involves larger sums when you look at the absolute figures. We have always continued to work hard and this allows us to present good figures every single year. At the moment, our market share is roughly 10% of the private banking market in Belgium, about 15 billion euro. During our growth I have always tried to act in an active way and with due diligence to the best of my abilities. This integrity is something I grew up with. I will pass my values along to my children, two of whom are active within the company."

Pushing the professional frontiers

"From a professional point of view, I have always accepted challenges in order to keep pushing our frontiers. Our computerisation by means of self-developed software already **1975** started in 1975, and that greatly increased our efficiency. Even today, it continues to be one of my main priorities. My father always told me that when you have the choice between taking an easy or a difficult path, the most demanding path is guaranteed to be the most fruitful one. An advice I have always followed. The foundation of the familial holding Delen Investments in 1981 is a great example of this. The extra equity gave us a much stronger position on the market and it made us look very reliable towards the clients."

1989 "It was always about continuing to make progress. In 1989 we were the first listed company on the Brussels stock exchange, which once again gave a boost to our credibility. Even though this compelled us to meet stronger criteria, it made our operations much more dynamic and it

When Jacques Delen entered his father's exchange company Delen & C° in 1974, the enterprise could already pride itself on its splendid client portfolio, although the enterprise only consisted out of three family members (father André who started the business in 1936, brother Paul who collaborated since the sixties, and Jacques himself) and four collaborators at that time. As the youngest of eight children, Jacques started with lots of enthusiasm. He turned the family business into Belgium's best private bank with 240 highly specialized employees. His recipe? Working day and night with a dynamic and diligent strategy and always looking after integrity and ethics, or continuously emphasising the original company values.

raised our entrepreneurship to an even higher level. Later on, we transformed our listed company into Delen – Private Bank, which was a clear demonstration of a progressive vision at the time. This decision strengthened us and created new perspectives."

"Besides that, we continuously kept setting high goals. The search for highly skilled employees to help realise these ambitions was of utmost importance. After all, professionalism binds clients and employees. This is also why we regularly consult experts and top advisors. Even during the early stages of my career, I have often paid extra money for professional advice, as I wanted to get every aspect of my job right from the very first try. That was the case in 1974, and today – with the current 240 employees – it is still the case."

*Integrity is something
I grew up with*

Progressive

"Being ten years ahead of the sector", that was, and still is, the ambition of Jacques Delen: "For example, we have always motivated clients to operate in a fiscally correct way. If someone is looking for tricks to by-pass the law, that person should not come to us for advice. We hired auditors long before our competitors did, and also published year reports before this was obligatory by law."

"During our professionalization we have never chosen the easy path. After all, we wanted to set the tone for the clients and the sector. Under the impulse of current managing director Paul **1990** De Winter, the focus was placed on discretionary wealth management in 1990, meaning that we invest our client's money in the most optimal way. This results in

considerable economies of scale, which is more advantageous and more efficient for both parties. It speaks for itself that discretionary wealth management is based on a risk profile that was decided upon together with the client in advance."

1992 "In 1992, the merger between the holding Delen and the investment company Ackermans & van Haaren took place. Our expansion continued and the synergy between both parties was a recipe for success: Delen became the financial branch of the group and was able to associate itself with other strong, enterprising families, while Ackermans & van Haaren was able to assist us in the long-term strategy, which guaranteed the continuity of shareholdership. An approach that proved to be successful. Two years later, the listed company status was changed into a stronger status, namely that of a bank. This meant that we enforced stricter criteria upon ourselves. However, this did help us to persuade other listed companies to become associated with Delen – Private Bank."

Passionate about values

1994 Throughout the years, Delen – Private Bank has continued to cherish the same values. "Since 1994, we have been giving patrimonial advice: we urge the client to behave in a fiscally correct way. In order to accomplish this, we employ jurists, who guide our clients perfectly. This produces nothing but advantages: a well-constructed fortune is useful and usable at any time. As a matter of fact, a correct fiscality is less expensive than you might think. And also, clients who act in a fiscally transparent and correct way have a clear conscience. And at least equally important: the continuity from generation to generation is easily organisable, which benefits durability. The fact that our vision of twenty years ago is gradually being adopted in the industry, is proof of its durability."

After Delen had strengthened itself in 1994 with the take-over of the Banque de Schaetzen from Liège and several companies that were listed in Brussels and Antwerp, a cooperation agreement

1996 was signed with exchange brokers De Ferm in 1996. "Entrepreneurs who shared the same family values", tells Delen, "passion, integrity, experience, openness, ... these were our basic conditions for collaboration, instead of focusing solely on the returns. The collaboration with De Ferm was fruitful, to say the least. Their devotion and our introduction of new methodology multiplied the returns of De Ferm sixfold in one year. In those days we discussed many listed companies, but we found only a few that shared our vision. We have always worked with our own means and we have never taken irresponsible risks that could have jeopardised the Bank. Acting in a correct and ethical way was always the main objective."

1997 "In 1997 we started working together with the group Bank J. Van Breda & C°: a bank for entrepreneurs and liberal professionals that offered credits and money transfers, among other things, at the time but had not moved into wealth management. They chose to take their chances with the expert in this industry: Delen – Private Bank. In order to be even more

2000 present in Brussels and Wallonia, we also took over the listed company Havaux in 2001: once again a family with the same values as us. Ten years later, 60% of our growth and 40% of our assets comes from the Brussels region. The take-over of and fusion with Capital & Finance in 2007 absolutely contributed to this. The well-known Brussels wealth management with its strong reputation and rich experience delivered extra dynamism."

2007 2007 was also the first year when Delen – Private Bank won the Euromoney Award for 'Best Private Bank in Belgium'. "This award is granted by colleagues from the financial sector", says Delen proudly. "It was a great honour to receive this award four years in a row."





A consultation room of Delen – Private Bank - Antwerp

Securing the future

Jacques Delen really wants to maintain the continuity in the future. “The children of our familial shareholders are raised with the same values, ethics and entrepreneurship as the ones we have been representing for several decades. Families have the majority and the control. This way, we can rely on stable shareholders who can lay down and guarantee a long-term vision.”

Staff continuity is also guaranteed: “All our employees are supporters of the same approach and vision. We have a low staff turnover and a high average seniority, which is essential towards perpetuating the long-term relation with the client. New

I have utmost confidence that the next generation will soon be ready for the future

employees are thoroughly trained and are closely monitored afterwards. We do not hire on the basis of an existing client portfolio, but we choose for quality, potential and commitment. The close involvement of the members of the board in the bank’s day-to-day operations boosts immediate decisions as well as an open, informal atmosphere. A big advantage on both the short-term and the long-term.”

Delen will still have plenty of challenges in the future: “Even though we have 240 employees, we want to maintain our familial and enthusiastic atmosphere. We have existed for 75 years now, but for us, this year is just like any other. A jubilee is not a reason to blow our own trumpet, but an extra impulse to keep working hard and steadily and to further expand our market share. Our clients always need advice and it is our job to look after them in an ethical way. As a company that believes in durable collaborations, we have to stay visionary at all times in the field of investments. Because we are grateful towards our clients for placing their trust in us, we will always offer them our maximal dedication.”

Durability is something which Delen – Private Bank translates into charity support. “Our growth and reputation leads us to be involved in the support of numerous projects more

We have stable shareholders who are able to lay down and guarantee a long-term vision

than ever. I am aware of the fact that giving something back to society is part of our job. Rather than hiding myself, I choose for projects in Belgium as well as abroad. A school for extraordinary education in Wuustwezel and a Tanzanian hospital managed by Belgians are just two examples.”

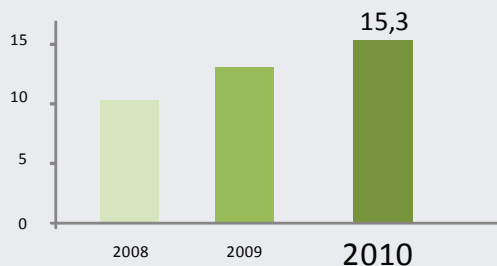
“The Bank’s extensive structure allows me to make myself more expendable, to the point where I’m practically redundant. But I still carry out my work with great passion and dedication. If I ever quit my daily executive tasks within Delen – Private Bank, not much will change: after all, the strategy is clearly outlined and our values stand firm. As a matter of fact, they are both in the hands of the right persons. The recent decorations by the sector prove that our strategy and values are successful and that gives us courage to further explore the path we have chosen.” ■

Delen in figures

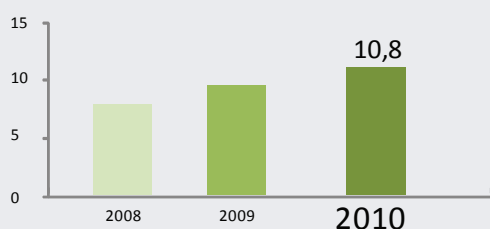
Delen – Private Bank has 240 employees and holds roughly 10% of the private banking market in Belgium, which represents about 15 billion euro. Jacques Delen is 61 years old, chairman of the executive committee of Delen – Private Bank and director of Ackermans & van Haaren, Sipef and Bank J. Van Breda & C°. ■

Key figures 2010

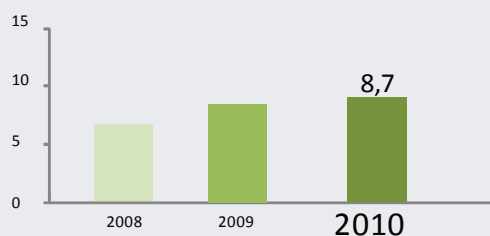
Assets under management (€ billion)



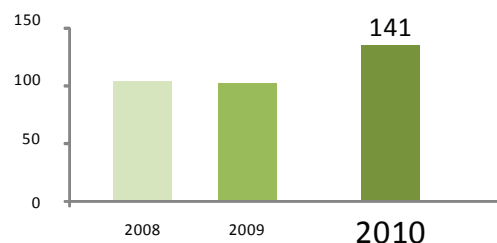
Of which discretionary (€ billion)



Of which group Delen funds (€ billion)



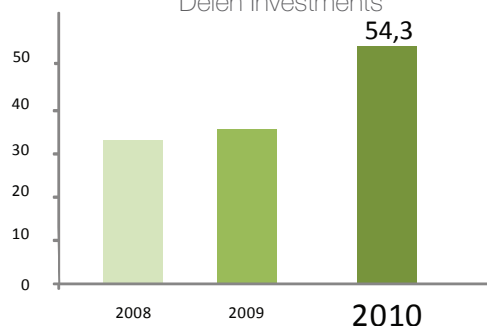
Gross revenues (€ million)
Delen Investments



Cost-income ratio
Delen Investments



Net profit (share of the group) (€ million)
Delen Investments



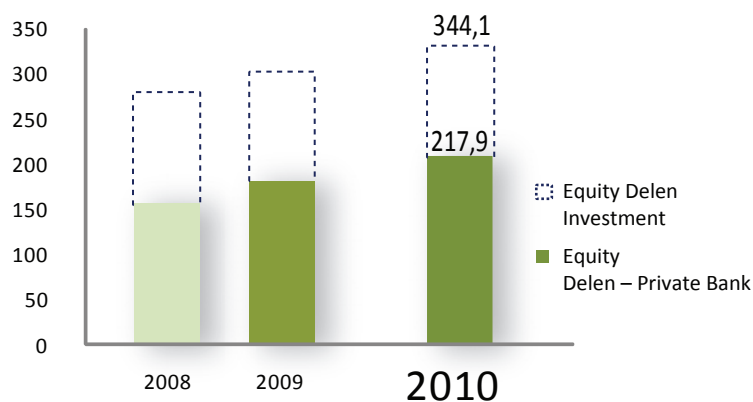
Delen – Private Bank continues to grow – on 31 December 2010 the managed assets amounted to 15,3 billion euro, a historical level. The key figures of the Bank for the last three years show how, even during times of crisis, the Bank continued to apply its strategy in order to give its clients the best service.

The Bank focuses on discretionary management (71% of all capitals) and leans on an efficient organisation in order to guarantee best-in-class service with a steady team of employees.

Despite the severe crisis, the Bank has put down strong results in 2008 and 2009. Right now, the Bank is experiencing a strong growth in income and net profits, as a result of the managed assets' increase.

Thanks to this growth and the recovering markets, Delen – Private Bank finds itself in a favourable position heading towards 2011. ■

Equity (€ million)



Outlook 2011



An exhibition at Delen – Private Bank - Antwerp

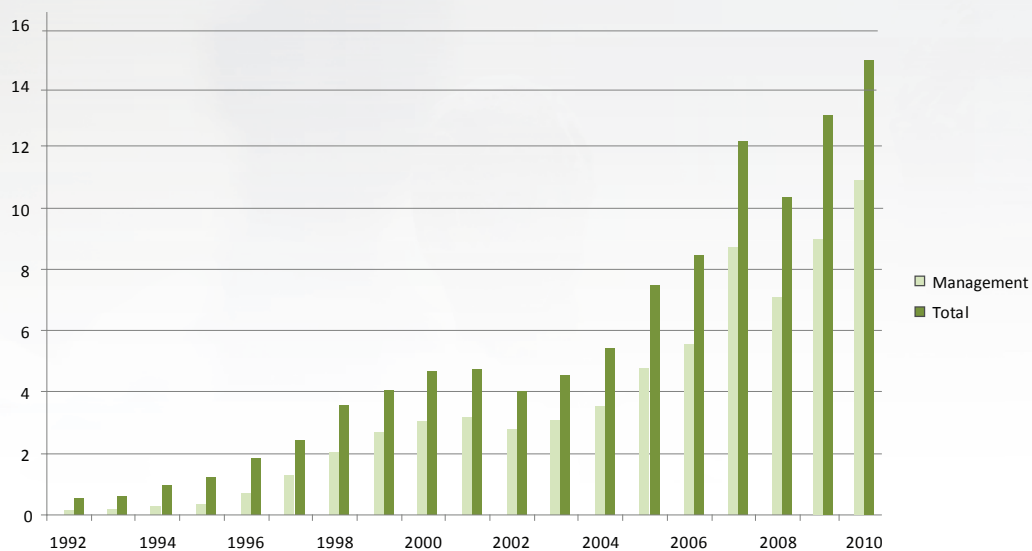
A certain amount of nervousness stays on the financial markets in early 2011. Doubts persist regarding the debt issued by certain European countries and the resilience of certain financial institutions, but the financial markets should also acknowledge the recovery of the real economy and the good corporate results being achieved, including in emerging economies. The international events of the last months in the Middle East and Japan require a cautious assessment of the markets. There is a need to keep a close eye on the market now more than ever, but attractive investment opportunities will nonetheless become available. In this context, the discretionary management of Delen - Private Bank, which is based on experience and long-term prospects, must endeavour to make the difference.

The Bank will keep on doing its best to attract in new capital, with a focus on regions where its brand recognition is on the rise. The financial results of the Bank in 2011 should fully reflect the continued growth of the managed assets in the second half of 2010. Plans to hire new employees to ensure continued growth mean that any further decrease in the cost-income ratio is unlikely. The Bank will begin its implementation of the investment programme at its head offices in Brussels and Ghent early 2011.

Delen – Private Bank will continue to evaluate external growth opportunities as they arise. The Bank is convinced that its model, which is developing in Belgium at a steady pace, could also be applied in other markets where the Bank does not yet have a presence. ■

Track record entrusted capitals

The track record of Delen – Private Bank is impressive. And we surely are not the only ones who feel that way: all in all, our clients entrusted us with more than 15.3 billion euro. On top of that, our growth during the past 15 years was not only impressive, Delen – Private Bank was also able to characterise itself as a steady player during difficult years. ■



Evolution of assets under management (in billion euro)

Mission Statement

Mission, strengths & vote of confidence

Delen – Private Bank ensures the preservation and growth of long-term private assets regardless of the economic context. A wealth manager meticulously maps the client's assets in order to optimise the development from generation to generation. The dynamic and prudent Bank relies on three pillars.

- **Best return with a limited risk.**

Delen – Private Bank adopts a prudent and balanced investment strategy, based on a healthy financial structure. Thanks to years of experience in proactive limitation and spreading of risks, the Bank is able to realise an optimal return on the long-term.

- **Customised investment strategy.**

Delen – Private Bank fine-tunes its investment management according to the client's profile and financial objectives. In addition to this, the client can count on an extensive financial and legal expertise in family and inheritance law.

- **Transparent and trusting relationship.**

Those who entrust the management of his private assets to the Bank, is entitled to an open communication that is understandable from A to Z: a transparent cost structure and reporting, of course, but also direct contact with a permanent wealth manager who regularly makes time for an in-depth conversation.



Louis Van Lint - Tanks in Pernis - 1955
Oil on canvas - 645 x 790mm

Delen – Private Bank, private asset management with a future

The 10 advantages of Delen – Private Bank

1. Systematic and targeted approach
2. Continuity in the relation with the personal wealth manager
3. Executive committee which, by itself, manages client relations on a daily basis
4. Regular and convenient reporting
5. Transparent and competitive cost structure
6. Very sound financial basis
7. Proactive risk limitation
8. Prudence and diversification
9. Personal service
10. Consistent and enduring policy



History

Delen - Private Bank 1936 - 2010



1936 André Delen founds the exchange company Delen & C°.



1975 André Delen hands over the listed company Delen & C° to his sons Jean-Pierre, Paul and Jacques. Implementing a well-balanced investment strategy is the core of their policy.



1989 The Delen holding is listed on the Brussels Stock Exchange.



1992 The merger of the Delen holding with investment company Ackermans & van Haaren rapidly accelerated the expansion in 1992.



1994 Delen strengthened itself once again with the acquisition of Banque de Schaetzen from Liege and several listed companies in Brussels and Antwerp in 1994.



1996 Group Delen opens a Swiss branch in Geneva in 1996. In Antwerp, the gentlemen De Ferm signed a cooperation agreement with Bank Delen.



1997 At the end of 1997, Ackermans & van Haaren (AvH) and the group J. Van Breda & C° decided to accommodate their bank branches in the new bank holding Finaxis, which coordinates the two niche banks.



1997 The Luxembourg branch receives its bank status in; from then on it is called Banque Delen Luxembourg.



Pierre-Louis Flouquet
Speler met rode bal ('Player with red ball') - 1919
Oil on canvas - 550 x 330mm



1998 In Brussels, Bank Delen contributes 50% to the establishment of Fides Asset Management, an independent wealth manager.

2000 In order to further strengthen its presence in Brussels and Wallonia, Bank Delen takes over the listed company Havaux in November 2000.



2003 By the end of 2003, AvH reaches an agreement with the then family shareholders of Bank J. Van Breda & C° about acquiring their participation of 40% in the capital of Finaxis. This reorganisation in the shareholder structure is finalised in February 2004, and via Promofi family Delen acquires a participation of 25% in Finaxis

2004 At the end of December 2004, Group Delen signs an agreement with Axa Bank Belgium for the acquisition of the Luxembourg Axa-subsiary Banque Ippa & Associés, hence called Banque BI&A.

2005 Groep Delen acquires the Brussels listed company Rampelbergs & Cie at the end of 2005.



2007 Euromoney awards Bank Delen as 'Best Private Bank in Belgium' for the first time in February 2007. Bank Delen opens a new office in Merelbeke (Ghent).



In August 2007, Bank Delen acquires Capital & Finance.

In December 2007, Capital & Finance Asset Management (Capfi) merges with Bank Delen.



2008 At the start of February 2008, Bank Delen opens a branch in Hasselt for its clients from Limburg.

Bank Delen and Capfi Delen Asset Management (Cadelam) receive many awards in 2008, including a second title as 'Best Private Bank in Belgium' (see p.14).



2009 In February 2009, Euromoney decides that Bank Delen deserves the title of 'Best Private Bank in Belgium' for the third year in a row, which had never happened before.



2010 In February 2010, we defended the title of 'Best Private Bank in Belgium' for the fourth year in a row. In 2010, we reached a record level of managed assets, with 13,2 billion euro.



2011 In February 2011, Euromoney proclaims Delen – Private Bank to be 'runner up best Private Bank in Belgium'.

In 2011, Delen – Private Bank will exist for 75 years.

The Roeselare division celebrates its 10th anniversary.



This time, Delen – Private Bank and Capfi Delen Asset Management (Cadelam) were also awarded

During the Fund Awards in 2010, two of our funds were awarded first prize in the following categories:

- 'Euro Cautious Balance' for the funds 'Universal Invest Low'
- 'Euro Aggressive Balanced' for the funds 'C+F Balanced Dynamic'

Cadelam respectively became 2nd and 5th in the category 'Euro Moderate Balanced' for the fund Universal Invest Medium and Universal Invest Global Flexible.

In 2011, we continued the trend. Cadelam received first prize for Hermes Belgian Growth (category Belgian shares) at the Fund Awards. This fund also received first prize from Trends in the category Belgian shares.

At De Tijd, Hermes Belgian Growth received second prize in the category Belgian shares. The Hermes Pension fund secured first prize in the category Pension Saving Funds. ■



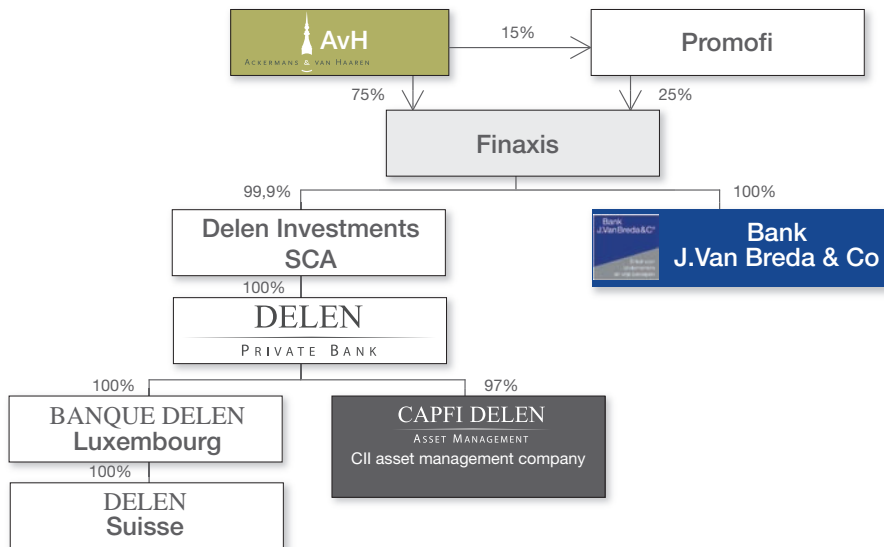
BEST PRIVATE BANK IN BELGIUM
2007-2010 FOUR TIMES IN A ROW

Delen – Private Bank, 'Best Private Bank in Belgium' in 2007, 2008, 2009 and 2010, is a true professional recognition. Delen – Private Bank is the first Belgian bank that has ever won this valuable title four times in a row.



Organisational chart

Shareholders and group structure



Vic Gentils – Black and white design – 1958
Oil on canvas – 800 x 600mm

Delen Private – Bank is part of a very healthy financial group

The bank is a credit institution under the surveillance of the NBB (National Bank of Belgium)*.

With the exception of twenty shares, all shares of Delen – Private Bank are held by the limited partnership on shares Delen Investments. The shares of Delen Investments Comm. VA are, with the exception of two, in their turn held by Finaxis NV, founded in 1997. As a statutory manager, the Delen family has one share in Delen Investments Comm. VA. The cooperation with Ackermans & van Haaren NV (AvH) started in 1992, when the Delen holding merged with this investment company from Antwerp.

Today, AvH owns 75% of the shares of Finaxis NV as a reference shareholder. The Delen family participates for 25% in the capital of

Finaxis NV through the company under Luxembourg law Promofi NV. AvH owns 15% of Promofi. Delen – Private Bank has two subsidiaries: 'Banque Delen Luxembourg' NV and Capfi Delen Asset Management NV (Cadelam), an approved management company of Collective Investment Institutions or CII's. 'Banque Delen Luxembourg' NV owns, among other things, 100% of the shares in 'Delen Suisse' NV.

The group's general banking activities focused on SME's (Small and Medium Enterprises), liberal professions and entrepreneurs come under Bank J. Van Breda & C°.

The strong growth of both banks (Delen – Private Bank and Bank J. Van Breda & C°) has turned the financial segment into a very important branch within the AvH group. ■

* before 1/04/2011 by the CBFA (Commission for Bank, Finance and Insurance).

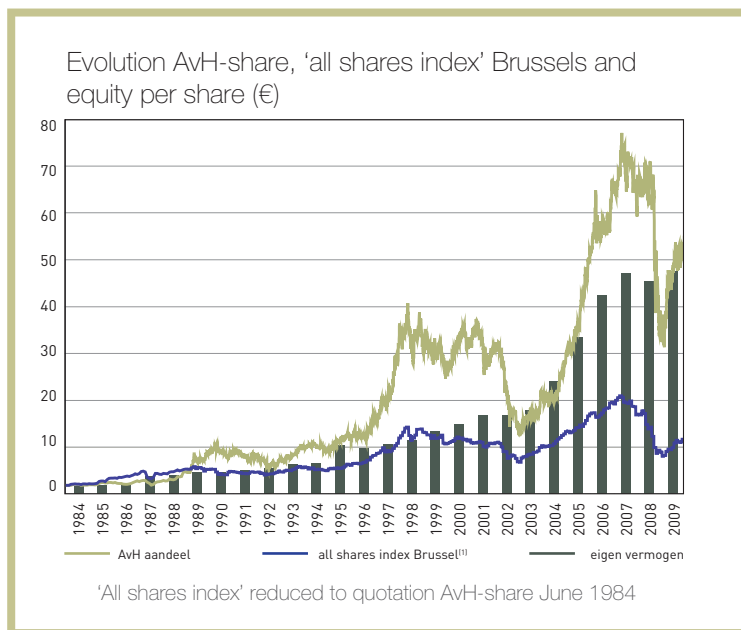
Ackermans & van Haaren

In 2010, the AvH group, which employs about 17.000 people, represented a turnover of 2.8 billion euro through its share in the participations. The group focuses on a limited number of strategic participations with an important potential for growth. AvH is included in the BEL20-index, the Private Equity NXT index of Euronext Brussels and in the European DJ Stoxx 600.

AvH is involved in selecting the top management and defining the long-term strategy

Ackermans & van Haaren (AvH) is a diversified group that is active in five core industries: construction, dredging and concessions (DEME, one of the world's largest dredging companies – Algemene Aannemingen Van Laere, a leading contractor in Belgium), real estate and related services (Leasinvest Real Estate, a listed real estate investment trust – Extensa, an important land and real estate developer centred in Belgium, Luxembourg and Central-Europe), private banking (Delen – Private Bank, one of the biggest independent wealth managements in Belgium – Bank J. Van Breda & C°, niche bank for entrepreneurs and liberal professions in Belgium), private equity (Sofinim, one of the biggest providers of risk capital in Belgium, and GIB), and a recent development towards energy and commodities.

Main shareholder



(1) Source: Euronext Brussel

The group focuses on a number of core companies with potential for international growth and is led by an experienced, multidisciplinary management team.

AvH is involved in selecting the top management and defining the long-term strategy. As an investor, AvH takes on the role of proactive shareholder. AvH concentrates on a limited number of participations with clear objectives, including responsibilities relating to the financial positions of each of the participations. This way, AvH focuses on the systematic creation of shareholder value through a long-term strategy. ■

Ackermans & van Haaren (consolidated)

	2010	2009	2008	2007	2006	2005
Market capitalisation	2.092.890	1.741.504	1.219.287	2.244.293	2.110.305	1.540.858
Equity	2.153.375	2.020.873	1.926.109	1.997.428	1.803.253	1.303.873
Equity (share of the group)	1.711.350	1.595.501	1.517.147	1.580.059	1.423.664	1.118.180
Net profit (share of the group)	160.804	117.450	114.558	241.390	307.600	278.986

Finaxis (consolidated)

	2010	2009	2008	2007	2006	2005
Equity	613.549	547.768	486.177	437.275	397.779	380.649
Net profit (share of the group)	79.553	56.532	51.046	57.890	53.772	47.189 (*)

Bank J.Van Breda & C°

The activities of Delen – Private Bank and its sister bank Bank J.Van Breda & C° are perfectly complementary: Delen – Private Bank focuses on the management of private wealth, while Bank J.Van Breda & C° is a reference bank for entrepreneurs and liberal professions, both privately and professionally.

Bank J.Van Breda & C° wants to be the leading banker with a quarter of the liberal professions and 10% of the entrepreneurs



Bank J.Van Breda & C° - Ledeganckkaai 7, 2000 Antwerp

Bank J.Van Breda & C° wants to be the leading banker with a quarter of the liberal professions and 10% of the entrepreneurs. For Bank J.Van Breda & C° is not a product banker: your relationship manager analyses needs, advises and then offers the proper solution. As a financial advisor, Bank J.Van Breda & C° is a specialized bank first and foremost. It acknowledges the financial balance between the

company, the practice or pharmacy on the one hand, and the private wealth on the other hand.

And the results show that clients appreciate this approach: Bank J.Van Breda & C° has been a profitable niche player for years. ■

Bank J.Van Breda & C° is a reference bank for entrepreneurs and liberal professions, both privately and professionally

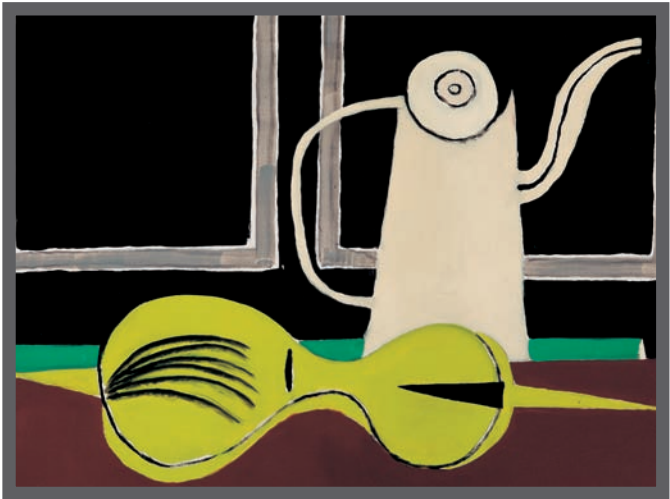
Bank J.Van Breda & Co (consolidated)

	2010	2009	2008	2007	2006	2005
Total invested by clients	6.368.943	5.611.268	5.009.245	4.700.986	4.077.405	3.537.549
Client deposits	2.596.766	2.358.533	2.221.400	1.899.356	1.660.475	1.466.944
Off-balance sheet investments	3.772.177	3.285.735	2.787.845	2.801.630	2.416.930	2.070.705
Private lending	2.631.339	2.328.371	2.202.059	2.056.606	1.797.619	1.670.248
Equity	258.671	243.731	222.599	206.577	224.371	237.170
Net profit (share of the group)	25.664	23.317	20.619	22.384	24.397	24.620 (*)
						51.444
Cost-income ratio	57%	60%	60%	58%	57%	51% (*)
Personnel	418	399	403	399	403	380

(*) Numbers and ratios 2005 based on profit figures without surplus value of 22.633 thousand EUR realized by the sale of Leasing J.Van Breda & C° NV.

Administration and supervision

Corporate governance



Marc Mendelson - Nature morte au violon - 1948
Huile sur toile - 630 x 800mm

Executive committee

On 1 January 2011, the executive committee of Delen – Private Bank consisted of seven members. All members are appointed by the board of directors, which they are also a part of.

The executive committee is responsible for executing the Bank’s strategy, within the boundaries determined by the board. It is responsible for the day-to-day management of the Bank and the control of its various services, which in turn report to the executive committee. The executive committee closely monitors the Bank’s performances and ensures that the profitability goals are achieved.

The composition of the executive committee is as follows:

President	Jacques Delen
Members	Filips De Ferm Paul De Winter René Havaux Thierry Maertens de Noordhout Arnaud van Doosselaere Bernard Woronoff

Board of directors

The board of directors of Delen – Private Bank is responsible for determining the Banks’ general policy and monitoring the executive committee. All board members have a lot of experience and judge the Banks’ policy and performances from different points of view.

On 1 January 2011, the board consisted out of 15 members:

President	Jan Suykens
Directors	Tom Bamelis Luc Bertrand Filips De Ferm Piet Dejonghe Jacques Delen Comm. VA Delen Investments (represented by Paul Delen) Paul De Winter René Havaux Carlo Henriksen Mark Leysen - independent director Thierry Maertens de Noordhout Pierre Sureda Arnaud van Doosselaere Bernard Woronoff





The executive committee of Delen - Private Bank from left to right.: Paul De Winter, Filip De Ferm, Arnaud van Doosselaere, Jacques Delen, René Havaux, Thierry Maertens de Noordhout & Bernard Woronoff.

Audit committee

Within the board of directors, an audit committee was created to, among other things, control the financial reporting process, the compliance with administrative, juridical and fiscal rules and the development of internal control procedures. The audit committee is composed as follows:

President	Luc Bertrand
Members	Jan Suykens Mark Leysen

All members of the audit committee have the necessary experience in terms of bookkeeping and audit:

Luc Bertrand graduated from the K.U. Leuven in 1974 as business engineer. He was active with Bankers Trust Co in New York, Amsterdam and London until 1986 (vice president, North Europe Area Manager). He became manager in 1985 and administrative and financial director of Ackermans & van Haaren N.V. in 1987. He has been president of the executive committee of Ackermans & van Haaren N.V. since 1996. He is also chairman of Finaxis. He holds several directorships inside and outside the Ackermans & van Haaren group and has also been appointed as independent director at Schrodgers and ING Belgium.

Mark Leysen graduated with a degree in consular and commercial sciences. He has been working with group Van Breda since 1986. At the moment, Mark Leysen is manager of Unibreda and holds several mandates within the insurance brokerage. He is also vice president of Finaxis and president of the board of directors of both Bank J. Van Breda & C° and Eos Risq.

Jan Suykens holds a degree in business economics and obtained an MBA at the Columbia University in New York. He started his career at the Corporate & Investment Banking department of Fortis Bank. Since 1990, he has been CFO and member of the executive committee of Ackermans & van Haaren. He holds several mandates within the Ackermans & van Haaren group and is also appointed as independent director of Mercator Verzekeringen.

Commissioner

As a commissioner, Delen – Private Bank has appointed Ernst & Young auditors: Ernst & Young auditors BCBVA, with legal representative Mr. Pierre Vanderbeek, De Kleetlaan 2 – B-1831 Diegem, Belgium

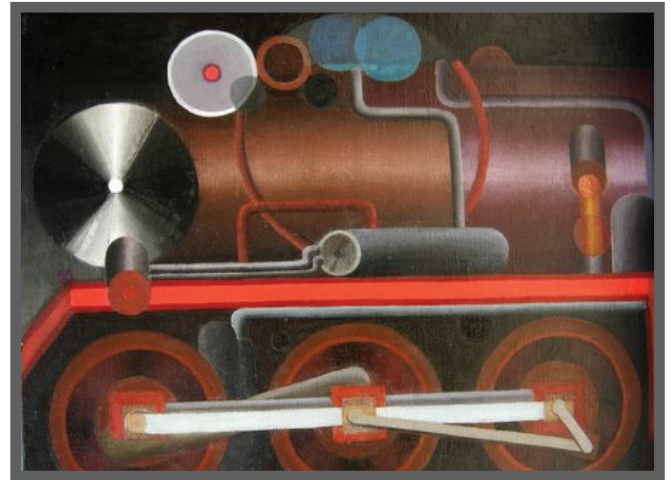
Asset management

Your assets are in safe hands

All those who have their assets managed by Delen – Private Bank can rest assured. In each division, an experienced team of wealth managers observes the markets continuously and effortlessly tries to anticipate and react to what is coming. With due diligence they take care of the preservation and the growth of private assets on the long-term, regardless of the economic context.

Since 2007 Delen – Private Bank has outperformed 19 other private bankers in the Euromoney ranking for four consecutive years. In the fields of information, products and market control the Bank performed at least equal to the other laureates but for internal control and quality Delen – Private Bank significantly outperformed the others. For customer service it even obtained the maximum score. That should not come as a surprise, if you consider that every permanent wealth manager meticulously maps every asset and optimises the development from generation to generation. The client's trust is rewarded with the best possible personal service.

The wealth managers of Delen – Private Bank monitor the international news and markets on a permanent basis. The teams of experienced employees put the Bank's tried and tested investment strategy into practice on a daily basis. European and intercontinental exchange markets, from Tokyo



Hubert Wolfs – Locomotive – 1925- oil on canvas, 780 x 900mm



Delen - Private Bank Brussels
Laurent del Marmol & Liesbeth Stevens

The client's trust is rewarded with the best possible personal service.





Delen - Private Bank Liège
Corine Schnitzler, Francis Smeers & Antoine Galand



Delen - Private Bank Hasselt
Bart Menten & Tomas Meyers

to New York, are closely monitored through the graphs of business information platform Bloomberg. In addition, they also manage the accounts of clients and answer their personal calls. Multitasking is part of the daily routine.

Unexpected events in the world – such as the earthquake in Japan – have an immediate effect on the exchange market. As the nuclear reactors have stopped providing energy, Japan is in need of other energy sources. On top of that, oil prices are going through the roof as a result of the conflict in Libya. In times like these, it is important to remain calm and to respond correctly to the situation: by monitoring current events, answering phone

calls, consulting vigorously and by processing the purchase and sale orders until the calmness returns.

Quality service and staff training combined with transparent communication and a balanced investment strategy are the main objectives of Delen – Private Bank. This way, we are able to optimally guide the clients without creating unrealistic expectations. Partly because of this, the bank is able to present a constant average growth of 10 to 15%. Our focus on clients is the main reason for this. Delen – Private Bank acquires its return based on good services and not by managing our own portfolio or by taking irresponsible risks.

The team of wealth managers in Antwerp - Raf De Schepper, Jan Laureyssens, Didier Willemssens, Marie-Laure Bekaert, Véronique Vanderwegen, Thomas Saverys, Koen Allewaert, Benoit Leloup, Didier Van Hove, Thierry Istas, Paul De Winter, Filips De Ferm, Yves Dumon, Judith Van Aken, Stefan Van Cleemput, Paul Marck, Maxime Schöller, Hilde Van der Auwermeulen, Carl Coppieters, Jean Van Houcke, Alain Van den Bogaert, Frederik Baert & Diane Seerden



Personal advisors

The wealth managers of Delen – Private Bank enjoy being their clients' personal advisors and managing their assets with discretion and effectiveness. The appointments between the wealth managers – often accompanied by a legal expert in wealth management - and clients are neatly scheduled and take place in a personal atmosphere. Clients who entrust their assets to Delen – Private Bank can count on a personal approach. Their wealth manager creates time for a thorough dialogue on a regular basis. By doing so, he becomes more acquainted with the client, allowing him to estimate the client's needs and wishes more precisely. Based on these conversations, the wealth manager adjusts the client's file, which provides him with a clear overview of the client's expectations and risk profile at all times.

Thanks to years of experience, the wealth managers perfectly know which shares and bonds are reliable and which ones are in need of thorough screening. The only investments they offer are the ones they know inside out and that have endured detailed internal controls. In addition, they ensure an optimal diversification and far-reaching risk management with due diligence. Clients of Delen – Private Bank can rest assured. They are in very good hands. ■



Delen - Private Bank Ghent - Anne Bontinck



Delen - Private Bank Roeselare - Kurt Van Keirsbilck & Karine Baert

With due diligence, the wealth managers of Delen - Private Bank ensure an optimal diversification and far-reaching risk management



Capfi, Vinkstraat - Brussels – from left to right Calina Saeys, Patricia Van Roosbroeck, Annick Langenscheid, Cédric Misonne, Audrey Bruyr, Bernard Woronoff, Sandra Grimonster, Michel Vandekerckhove (Cadelam), Nastassia Leszczynska, Arnaud Van Doosselaere, Philippe de Spirlet, Dorothée Sauvage (Cadelam), Werner van Zuylen, Gaëlle Schonne & Patrick François (Cadelam)

Human Resources

The Human Capital of Delen – Private Bank is also efficiently managed

On 1 January 2011, Dirk Blendeman was appointed as the new Human Resources Manager of Delen – Private Bank. As an employer, the Bank pursues durability and continuity within the relationship with its employees. Furthermore, the Bank will employ approximately 20 new employees, as a supporting measure for the continuous growth.

Delen – Private Bank has slowly but surely grown to be an important player on the market. The Bank owes its strong position to the strong connection between its employees, strategy, standards and values. Meanwhile the Bank has 240 employees and offices in three countries.

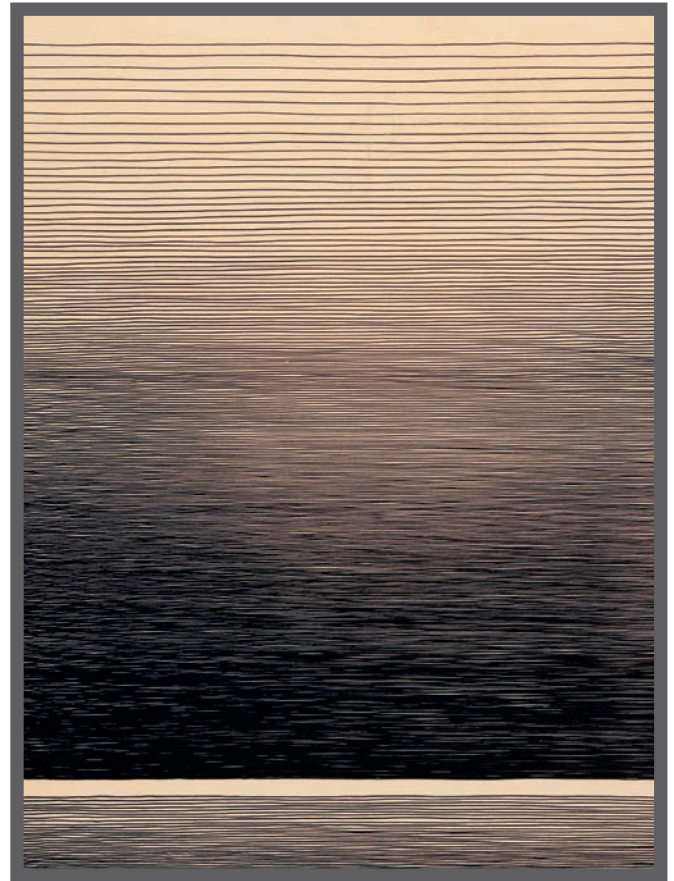
Searching for Delen's DNA

The functioning of Delen – Private Bank is supported by family values such as passion, integrity, openness and ethical trading. "When we select new employees, we put a strong emphasis on whether these candidates uphold the same values", Dirk Blendeman explains. "In relation to the continuity and durability of our organisation, we are in fact looking for the Delen DNA in our candidates. This is then linked to other important selection criteria from a long-term perspective such as willingness to learn, development potential and commitment, as well as specific job requirements. The strong commitment shown by our own employees and management during the different steps of the selection process considerably reinforces the assessment whether a candidate will be able to blend in and cooperate within the Bank on the long-term."

Long-term vision, also for employees

Regarding the relationship with and the functioning of its employees, Delen – Private Bank also believes in continuous and durable evolution on the long-term. "We provide our new employees with a custom-made path which – in function of their experience and potential – will ensure them to steadily grow in the tasks and responsibilities that are entrusted to them", says Dirk Blendeman. "For example, we will not put a new wealth manager in front of our clients from the very first day. Only when we detect a new wealth manager to be sufficiently familiar with our strategy, philosophy and operation methods regarding client management, will he be able to start managing a client portfolio."

In order to accomplish this, the Bank puts a strong emphasis on on-the-job-training and counselling by experienced colleagues. "Our way of practising asset management can be seen as a



Michel Seuphor – De zeldzame dag ('The rare day') – 1957
Ink on paper - 670 x 510mm

'metier', in which new employees can learn a lot by listening and observing our experienced employees. I also advise all our new employees to gather information and knowledge by asking their colleagues questions during their training periods. We work in a very open and casual environment, in which management is also very available because of their close involvement in the day-to-day operations. Our organisation possesses a lot of experience and 'metier knowledge', which can be very advantageous to our new employees", states Dirk Blendeman.

Moreover, the Bank's ongoing growth makes sure that employees can continuously evolve in terms of experience, knowledge, autonomy and responsibilities, within their existing function as well as within the organisation. "Because of our flat structure and the philosophy of long-term continuity we have to limit staff turnover and job rotation. This means that we also have to offer our employees possibilities of permanently educating and engaging themselves within their field on the long-term", explains Dirk Blendeman.

Added value for clients

The low staff turnover and high average seniority, that result from the long-term commitment between the Bank and its employees, are important trumps for an organisation such as Delen – Private Bank. "This allows us to guarantee the important continuity and



Dirk Blendeman,
HR Manager
Delen - Private Bank

durability in the relationship between clients and their wealth manager, as well as letting the wealth manager lean on experienced colleagues who are very familiar with the Bank's operating methods", explains Dirk Blendeman. "That way, we also secure a fluent operation of the internal processes, through which the clients are offered a very specific and efficient service." The final result is a strong and trusting relationship between the client and the Bank, based on the peace of mind the client experiences when being in touch with employees of the Bank. ■

*As an employer, Delen – Private Bank pursues durability
and continuity in its relationship with employees*



Our divisions

Divisions in action

For many years, Delen – Private Bank has known a strong growth. Because the total number of clients has doubled in 10 years time, the Bank faces a double challenge nowadays: to continue the good reception of its clients by welcoming them in a qualitative and comfortable way, and to guarantee a pleasant work atmosphere towards the staff. Following the Bank's philosophy, we prefer to create a homelike atmosphere in which the client feels at home. Our clients as well as our employees value this approach very much.



3D plans of Delen - Private Bank – Brussels

During the renovation, we cover the building's façade with a board to keep a beautiful view of the city

"That's why we prefer existing buildings with a warm and peaceful appeal that connect with the Bank's image," says project manager Thierry Sicheu.

Delen – Private Bank has seven offices in Belgium. The headquarters have been located in the Jan Van Rijswijcklaan in Antwerp since 1936. Since 2003, the logistics department, which is also located within the headquarters, makes sure that the Bank functions well in all non-financial activities (infrastructure, events, mail delivery, suppliers, safety).

Preparing the future

The Bank's growth makes sure that there is a new challenge every day. It forces us to take strategic decisions in order to guarantee a peaceful future: installing new consultation rooms, increasing desk space, providing parking space,... This forces us to either rebuild or to search for new buildings for our future divisions. In order to make sure that the right

investment choices will be made, we always consult a team of specialists before making any decisions.

At the beginning of major projects, we usually discuss them with the local government. That allows us to create a constructive dialogue and to realise a successful project. The local residents are also an involved party. With the dialogue as a starting point, a development report is created, aimed at keeping the level of discomfort during the activities as limited as possible.

Renovating in silence

When we renovate, we make sure that the Bank can continue to function and that our clients do not experience any discomfort. When we were rebuilding the reception room of our Antwerp division in 2006, our contractor worked during the summer holiday, as we had less visiting clients during that time. The difficult parts of the renovation only

The five trees that are growing against the board and the renovations will evolve to a nice whole



Delen – Private Bank spreads message through façade covering

Delen – Private Bank launched a remarkable stunt during the renovation of its property in the Tervurenlaan in Brussels. These renovation activities will take more than one year and a half and Delen – Private Bank wants to use this time to make the Bank's philosophy known by means of a board in front of the building's façade. The wonderful growing hanging garden is an idea of Duval Guillaume and a realisation of Urban Media and Ecoworks.

Beautiful things take time to grow

All those who often pass through the Tervurenlaan in Brussels will see the hanging garden grow from small plants to luxuriant trees every day. "Beautiful things take time to grow" is the garden's message. This perfectly reflects the due diligence of Delen - Private Bank.

The façade covering of Delen - Private Bank – Tervurenlaan 72, 1040 Brussels

took place during weekends and bank holidays. Phasing the activities is of utmost importance, not only in order to guarantee a smooth renovation process, but also for the comfort of everyone who needs to visit the building.

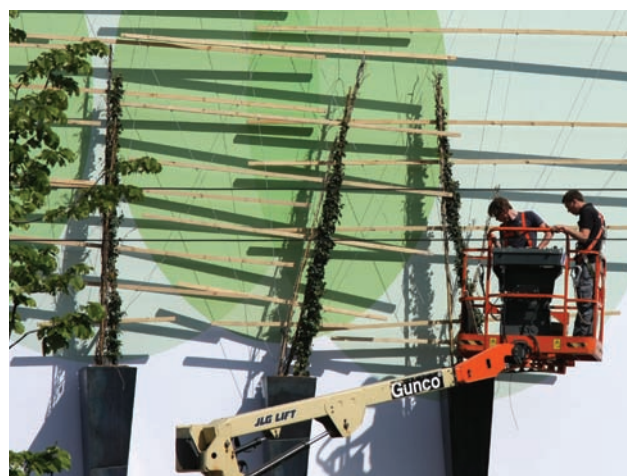
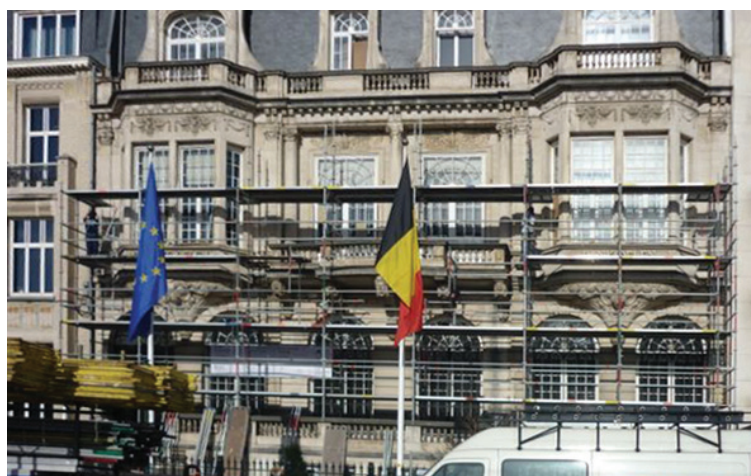
During the renovation, the technical infrastructure and informatics have to keep functioning risk-free for 24 hours a day. Delen - Private Bank has even implemented double systems. In Antwerp, for example, we have installed a system that can supply energy during a time span of 10 days. Furthermore, we have prepared rooms where employees of other offices can continue their work, should a disaster occur in one of our divisions.

Brussels – Tervurenlaan

In 2009, we launched the Brussels project with an architecture contest. The You Studio office was the deserved winner. They displayed lots of creativity and were able to link the historical and modern appeal of the building with great finesse. We were presented a realistic project with much respect for our program of commercial development.

This real estate dates from 1907 and is well-known among the inhabitants of Brussels and commuters because of the façade.

In 2000, our group obtained ownership of this building. In those days we already wanted to establish the Bank on one of the most beautiful arterial roads of Brussels. Even though such buildings are relatively expensive, this purchase still



The façade of Delen – Private Bank – Brussels with scaffolding in January 2011

Ecoworks in full force in April 2011



3D plans of the stairwell and the gardens that are planned in the renovations of Delen – Private Bank – Brussels



The capacity for receiving clients will be tripled by the presence of consulting rooms and seating spaces on the top floor

resulted in economies of scale, as we regrouped different divisions of the Bank and the Ackermans & van Haaren group in this building. These types of projects are only possible thanks to our due diligence.

In 2009, we decided to breathe new life into this real estate of 3.300 m² and to establish our regrouped services over there: the Bank's wealth managers who were temporarily moved to the Woluwegate and the wealth managers of the former Capfi who house in Bosvoorde at the moment.

After the architectural and technical studies and the approval of the construction permit, the activities started at the end of 2010. We expect them to be finished at the end of 2012.

The two buildings, an old mansion and the modern building behind it, will be combined. While doing so, we will give

priority to a good incidence of light in all the important spaces. The light will enter through the stairwell, as well as through the new gaps in the roofs and the big gaps in the inner walls. The capacity for receiving clients will be tripled by the presence of consulting rooms and seating spaces on the top floor. The employees will move to a large open working space, wherein communication is easier when compared to individual offices.

A number of beautiful rooms are put at the disposal of artists, who have been supported by the Bank since 2006 through the organisation of regular local exhibitions and vernissages. In short: we are convinced that working will be pleasant here.



The reception hall of Delen – Private Bank - Brussels in January 2011



The façade covering of Delen – Private Bank – Brussels



3D plans of the back of Delen - Private Bank - Ghent after the renovation

Ghent

Since January 2007, the Bank has a presence in the Ghent region, as we set-up an office floor in Merelbeke. It was always our intention to open a division in Ghent, similar to the one of Antwerp. By the end of 2012, we will realise this intention.

The Coupure

As a matter of fact, we have bought a beautiful mansion that dates from 1916, located at the Coupure Rechts, number 102. The building used to be a boarding school for girls, before it was taken over by the Belgian army. After several years of vacancy, we now give it a new future.

The historical aspects of the building, such as the central wooden stairs and windows, the mouldings at the ceiling and the panelling, are kept and restored. In consultation with the city of Ghent, the Province and the Historic Preservation, we are going to add a glass elevator and a small annex in French stone on the outside.

The new division offers us all the facilities we need for client reception (consultation rooms, parking space,...) and work comfort for the employees.

Halfway 2010, and after careful consideration, the Ghent office Bontinck Architecture and Engineering was chosen as the winner of this project's architecture contest.



One of the plans and the picture of the façade of Delen - Private Bank in Ghent



Thierry Sichem, Project Manager at
Delen - Private Bank

Ecological

Delen – Private Bank chooses an ecological path. All HVAC systems (heating, ventilation & air conditioning) are adjusted towards saving as much energy as possible.

At the Tervurenlaan, the roof will be equipped with solar panels. The IT-park's warmth will heat the janitor's apartment.

Every Delen – Private Bank division has its own video conferencing system. This way, its employees have to hit the road less often for meetings

Liège

The Liège office is also an historic mansion. In this large building, the teams of Delen and Bank J. Van Breda & C° are working together. To figure out what the options for possible renovations are, we are currently in a preliminary

study phase. Together with an architect, a land surveyor and a technical engineer, we are examining what needs to be adapted. Although we certainly want to renovate this building, the renovations will not commence before 2012. ■



The entrance hall of Delen - Private Bank in Liège

Capfi Delen Asset Management

Cadelam 2010

Capfi Delen Asset Management (Cadelam) is a management company of CII's licensed by the FSMA (Financial Services and Market Authority)*. They both manage the portfolios (financial management) as well as the bookkeeping of these funds (administration). Cadelam arose from the merger of the original fund management teams of Capital & Finance Asset Management and Beursfondsen-Beheer, a subsidiary of Delen – Private Bank.



Floris Jespers - Abstract composition - 1929
Oil on canvas - 990 x 790mm

The company consists of 11 specialized staff members. Specifically, there are 6 portfolio managers / analysts and assistants who concentrate on the financial fund management. At the end of 2010, Cadelam managed almost 7 billion euro in mainly patrimonial or mixed funds, supplemented with stocks and bond funds with specific themes. Furthermore, five specialists take care of the administrative fund management. This ranges from bookkeeping and the calculation of net asset values of internal and external funds to the composition of the prospectuses and annual reports, along with all other related administrative and technical aspects.

Cadelam is a smaller player in the market with a very driven team. This allows Cadelam to make good use of their independence when facing large financial institutions. The team's quality of service and years of experience are important advantages. On top of that, Cadelam distinguishes itself through its flexible structure and pragmatic approach. The multidisciplinary team members know all the aspects of the financial and administrative management from A to Z.

The fusion of the two teams of Capfi AM and Beursfondsen-Beheer in Cadelam in 2007 has turned out to be an enrichment. The pollination that originated between the Antwerp and Brussels entities has clearly paid off.

The added value of the exchange of best practices in the management of the group's patrimonial funds is becoming increasingly tangible, as every team member can find his place in the new entity and can fully put his know how and ideas at the service of the committees that manage the different funds. This way, the strategies' continuity is guaranteed.

The success of this cooperation on the funds' results is reflected in the different management prizes received by Cadelam during the past years.

Yet again, 2010 was a challenging year for portfolio managers. The stock markets were characterised by high volatility. The year witnessed a weak start, followed by a strong recovery until April, which was in turn countered by the fear for European government finances. From the summer until the end of the year a steady climb followed, yet with the necessary stress moments between times. The opening markets and the American stock exchange performed well, aided by the climb of the US dollar. The bonds' interest rates went down until the end of August, which was a positive factor. Afterwards, the returns plummeted. Seemingly safe bond investments suddenly came under fire.

The Cadelam management teams succeeded in adapting to the quickly changing market conditions. While doing so, it was important to place certain events and exaggerations in their proper context. More specifically, it involved the discovery of investment opportunities in an environment where the most gloomy scenarios were brought up on the one hand, and the reimbursements of cash and government bonds of neighbouring countries kept decreasing on the other hand. The portfolio's different building stones needed to form a strong entity with a balance between returns and risks. Diversification was the main theme here.

The foundation of our management philosophy remained unchanged. The common sense and keep-it-simple approach ensured transparency, liquidity and therefore comfort. Regular

* the successor of CBFA (Commission for Bank-, Finance- and Insurance) since 1 April 2011

The executive committee of
Capfi Delen Asset Management:



Michel Vandenkerckhove



Gregory Swolfs



Chris Bruynseels



Patrick François

The multidisciplinary team members of Cadelam know every aspect of the financial and administrative management from A to Z

stress tests confirmed that the portfolios would withstand possible shocks.

We gradually increased the significance of shares through defensive companies, which are less vulnerable during an eventual trend change on the stock market. The objective was to enjoy an attractive dividend return, certainly relative compared to the bonds return. Our trust in dividends was once again strengthened by the investment in a couple of futures on dividends of European companies which were undervalued by the market.

The proportion invested in opening markets was gradually increased to enjoy the elevated growth in those countries. Both directly and indirectly, this was the case: directly through stocks on local markets and indirectly through European or American companies that have an important part of their trade in those countries.

In the portfolio's fixed interest component we mainly enjoyed the nice returns of the corporate bonds. Without much trouble, companies were able to maintain or improve their creditworthiness by using the capital market through emission of stocks and/or bonds. Our very short terms on the bonds and the absence of government bonds of problem countries in the eurozone ensured that the decrease from the peaks (resulting from the strong climb of the interest rate) remained limited (less than 1%).

We found good alternatives left and right to increase the return without having to fully choose for stocks. This way, convertible bonds or certain perpetual bonds were added to the risk capital.

Looking at the increasing pressure on the euro, there was diversification of Norwegian kroner, Swiss francs and Asian currencies, among others, since the beginning of 2010. ■

Added value in the portfolio management on two levels

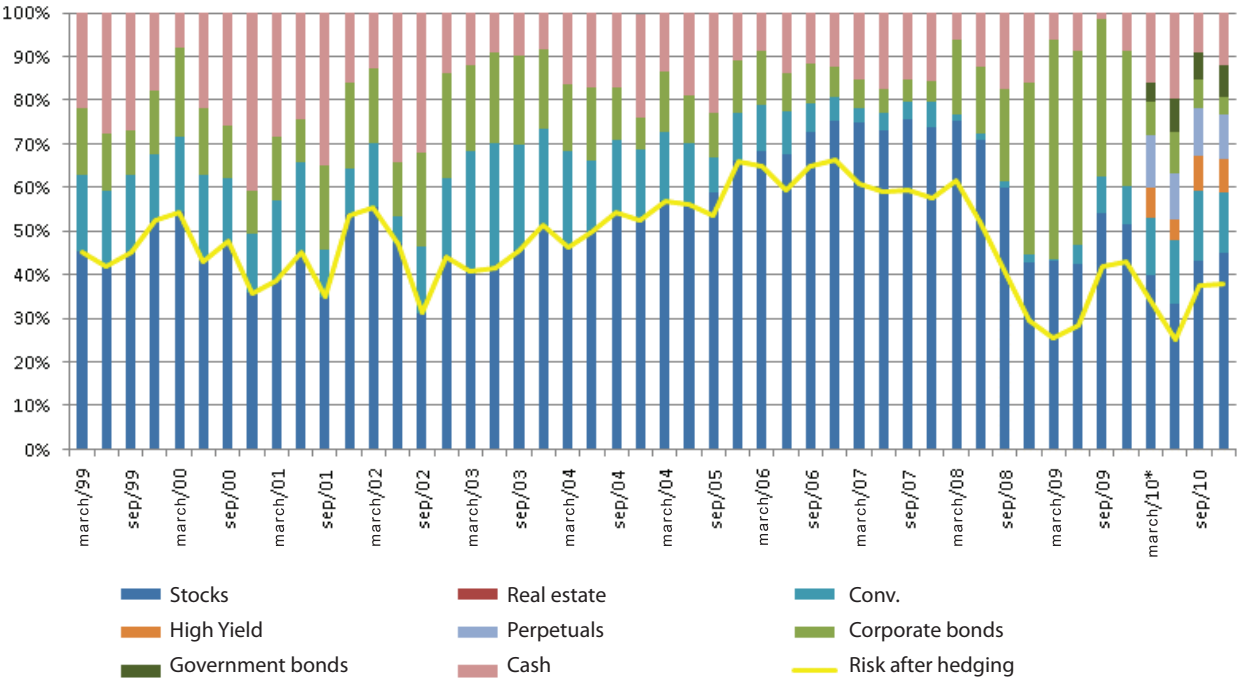
On the one hand, we manage a flexible spread of assets. This implies that the client's risk profile is actively shifted between stocks, bonds and cash, depending on the market circumstances. For example: the asset spread of a client with a defensive risk profile will not permanently consist of 20% stocks and 80% investments with fixed interest. We will rather work with a fork of 0 to 30% in stocks. If the stocks' rating and the sentiment on the market turns, the stock

positions will be reduced or hedged in order to decrease the risk in profiles, and thus the volatility. When the conditions change at a later time, the positions can be increased once again. Studies have shown that about 75% of the long-term return is determined by the asset spread. This means that the long-term performance is mostly influenced by the decision to invest your portfolio in either stocks or bonds.

On the other hand, we try not to be bound to reference-indexes or benchmarks in our active management. There are some examples to illustrate this. The weight of financial stocks in the indexes amounts to about 25%. Why would we invest a quarter of our stock component in financial values, when we still see risks in some of those companies? A careful investor

chooses for government bonds. If he had invested in a fund of government bonds, he would have been faced with issuers such as Greece, Ireland, Portugal or others, with all the resulting consequences. We have chosen not to be present in countries with weaker government finances. ■

Evolution asset allocation – Global Flexible



* March/2010: part corporate bonds were split into corporate bonds, government bonds, perpetuals and high yield.

www.cadelam.be*

You can visit www.cadelam.be for an up-to-date overview of funds per asset.

CAPI DELEN
ASSET MANAGEMENT

Qui sommes nous | Fonds | Valeur nette d'inventaire | Contact | Distributeur

BIENVENUE

CAPI DELEN Asset Management (CAPI DELEN) est une société de gestion d'OPC (Organismes de Placement Collectif) agréée par la Commission Bancaire, Financière et des Assurances (CBFA).
Suite à la fusion de Capital & Finance Asset Management avec la Banque Deleu, les activités de Beunhousen-Beheer se sont élargies avec la gestion des sièges patrimoniaux de l'ancien Capital & Finance Asset Management et l'ensemble a été rebaptisé CAPI DELEN.
CAPI DELEN assure la gestion financière et administrative de la plupart des OPC que la Banque Deleu propose à ses clients, ainsi que la gestion administrative d'OPC d'autres banques et sociétés de bourse actives sur le marché belge.
Outre la tenue de la comptabilité des OPC, la gestion administrative comprend également le calcul des valeurs nettes d'inventaire (VNI), le contrôle des limites d'investissement et l'établissement de rapports annuels, de statistiques, de fiches techniques et de prospectus.
Pour la gestion financière des OPC, CAPI DELEN applique à chaque compartiment une philosophie d'investissement adaptée à la politique que celui-ci a définie. Elle s'appuie sur une analyse fondamentale de haut niveau, de très haute qualité, combinée avec une vision macro-économique descendante, éventuellement affinée d'une analyse plus technique.
CAPI DELEN gère quelques dizaines de compartiments couvrant différents thèmes stratégiques d'investissement. La gamme de produits s'étend des SICAV d'actions ou d'obligations à grande diversification géographique, à des SICAV focalisées sur un thème ou sur des secteurs particuliers. Elle bénéficie d'une expertise particulière dans la gestion de SICAV patrimoniales. Tous ces instruments financiers permettent non seulement d'obtenir une diversification supplémentaire, mais aussi de donner accès à des marchés généralement moins connus à l'investisseur particulier.
CAPI DELEN est un acteur indépendant ce qui constitue un ajout supplémentaire par rapport aux plus grandes institutions financières. La stabilité des gestionnaires garantit la continuité de la gestion.

VALEUR NETTE D'INVENTAIRE

Compartiment : Year To Date

Tout Cap/Dé Cap

Nombre de SICAV : 27

Compartiment : VNI

Athens Euro Bonds Cap	104.98 €
Athens Euro Bonds Cap	307.52 €
Athens European Equity Cap	545.91 €
Athens Global Opport Cap	143.48 €
Athens Immo Rend Cap	172.79 €
Athens Vega Equity Cap	109.28 €
Hermes Belgian Growth Cap	140.58 €
Hermes Euro Cash Cap	486.88 €
Hermes Pensionsfonds	129.81 €
U-Low A Cap	349.31 €
U-Low B Cap	250.23 €
U-Low C Cap	318.53 €
U-Low D Cap	340.72 €
U-Medium A Cap	381.44 €
U-Medium D Cap	378.68 €
U-Global Pensions - A Cap	452.99 €
U-Global Pensions - B Cap	452.67 €
U-Global Pensions - C Cap	453.83 €
U-Global Pensions - D Cap	422.91 €
U-High A Cap	3140.08 €

CAPI DELEN
ASSET MANAGEMENT

Qui sommes nous | Fonds | Valeur nette d'inventaire | Contact | Distributeur

PAR TYPE D'ACTIF

- Fonds d'actions
- Fonds patrimoniaux
- Fonds d'obligations
- Fonds divers

PAR SICAV

- Athens
- C&F
- Hermes
- Hermes fonds de pension
- Universalinvest

PAR PROMOTEUR

- Touk
- Bank Deleu
- Bank van Breda

FONDS D' ACTIONS

Compartiment	Fiche technique	Prospectus	Prospectus simplifié	Rapport annuel	Rapport semestriel
Athens European Equity					
Athens Vega Equity					
Hermes Belgian Growth					
U-Global Growth B					
C&F Euro Equities C					
C&F Euro Equities D					

B&G Document Non Disponible en Français vérifiez la disponibilité en Néerlandais

Version imprimable

* only exist in Dutch or in French

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DELEN
PRIVATE BANK

Legal analysis

What to do with the bearer shares of your family business?

Bearer shares disappear within 2 years. Should I make my stocks of the family company nominative? No, this is not the best solution for everyone. How does a dematerialisation work and why would I choose this option?

It is incredible to determine that company owners from all professions were pushed towards bearer shares for decades, and that they are now being systematically diverted to registered shares by the very same advisors. Have people lost the essence? In dematerialised stocks we find more characteristics of bearer shares than registered shares: discretion and smooth negotiability. Two elements we believe to be crucial, even in family companies.

Unknown, unloved. Every day, we debate with other professional groups that are involved (accountancy, notaryship, ...). In 2010, we met more than 1.000 notaries, auditors and accountants through a national campaign. This way, we want to familiarise professional groups with this simple new concept.

When we are dealing with a second or third generation company, our choice is easily made. As a financial institution, we have been familiar with dematerialised stocks for years. In the field of asset management, we have been working with more than 10 billion euro of these types of dematerialised stocks. If you can flawlessly complete this for companies on a global scale, you are also able to do this for national companies, as they usually have a more limited number of corporate actions (dividends, splits, name changes, ...).



In previous cases (asset management coupled with asset and succession planning, regularisation of foreign capitals, ...), our bank has always been a pioneer. Today, we do this again in the context of dematerialisation of company stocks. Each and every time, it is the argumentation based on practical experience which ensures clients to follow our recommendations.

Meanwhile, stocks of more than 400 Belgian family companies found their way towards a stock account of Delen – Private Bank. In 2010, the first 10% of this number was actually dematerialised. This number will keep growing steadily during the coming years. ■



The juridical team of Delen – Private Bank. From left to right: Katrin Eyckmans, Vincent De Cort, Claudia Nuyts, Tessa Van den Bergh, Marjolein Vanbrabant, Niklaas Claeyssoone & Steven Osaer.



What should you do to start the dematerialisation of the shares of your family business?

- 1) Deposit the bearer shares on the shareholder's personal bank account.
- 2) Provide the category dematerialised shares in the statutes through a notary (on the occasion of an amendment).
- 3) The company-issuer concludes a dematerialisation agreement with the Bank and then takes care of the compulsory publicity.

Why do some many clients choose to deposit their bearer shares at Delen – Private Bank?

The knowledge and know how concerning assets and succession planning is one of the trumps that plays a part in this choice. For many clients, this is an extra stimulant to place their bearer shares on account of our bank. The suitcase has become an anachronism, often based on wrong reasons. Legal solutions are still a revelation for many: being both simple and in order, that is the key!

“Keep it simple”, it is possible more often than you think

‘Keep it simple’ is usually our slogan when we give advice about taxation, inheritance, family property or succession duty. And staying true to that slogan can be done more often than you might think.

Besides the classic advice concerning assets and succession planning (fiscal analyses of your assets and marriage contract, structuring and supervising asset transfers towards the next generation and the handling of inheritance, ...), our jurists are also active in the guidance of fiscal regularisations and the necessary steps towards the dematerialisation of bearer shares.

In the area of fiscal regularisations and the repatriation of foreign holdings, our jurists can look back on a broad frame of reference and a lot of experience. The statements of clients who have had a similar exercise are unanimously positive and form a basis for further succession planning.

All bearer shares of listed companies and family businesses must be converted into personal shares or dematerialised shares by 31 December 2010 at it's latest. Our jurists are happy to discuss the advantages of your bearer shares' conversion to dematerialised shares with you. They can guide you from A to Z. ■

Delen OnLine

www.delen.be

Our website www.delen.be allows clients to track the evolution of their portfolio, anywhere in the world, seven days a week. They can also retrieve a wealth of information in just a couple of clicks. Delen OnLine stands for transparency, autonomy, safety and top service.

Transparency

Are you looking for a chronologic overview of all account transactions, history of past performance, market and background information, bank account statements (also from the past) or would you like to download a portfolio or read the latest news report? It's all possible on Delen OnLine. The strong and user-friendly IT structure allows the client to track his portfolio in a simple and transparent way.

Autonomy

Clients who enter stock orders themselves can do this using the Delen OnLine trading account. This allows them to send their stock orders directly to the respective stock exchanges. The transactions are executed in real time thanks to an efficient IT platform.

Safety

Because Delen OnLine cares a lot about safety we utilise a top of the bill security safety technology: the Digipass. The client



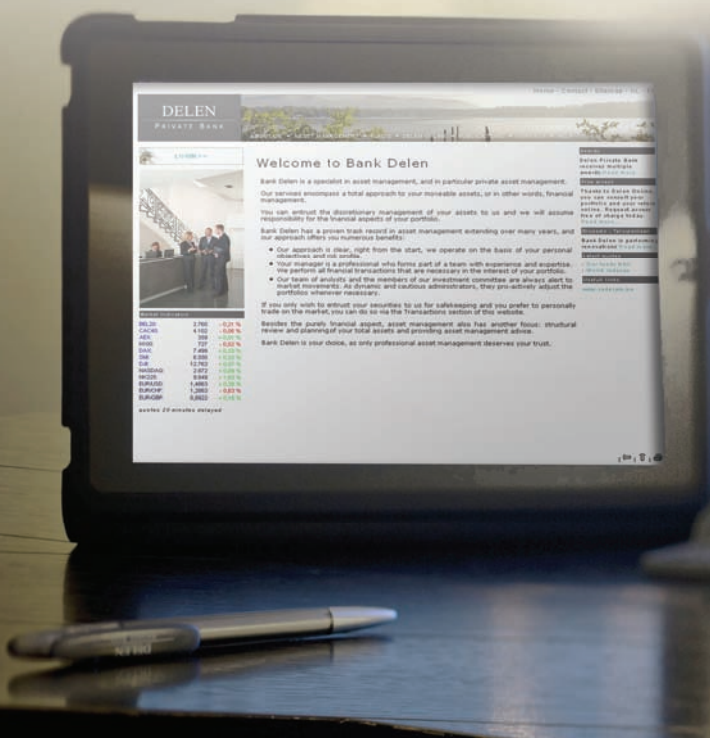
The Delen OnLine team:
Geert Priem, Daniel Ratincx & Laurence Roumieux

only needs to enter the username and the password generated by the Digipass, after which the information is checked by the system. This way, every Digipass user enjoys maximal security for his Delen OnLine account.

Top service

But Delen OnLine is more than just a website. The developers created an online tool with a personal service: every day from 9 a.m. until 6 p.m., clients can contact Geert Priem or Laurence Roumieux by phone. They will personally talk to the clients and help them with any questions or obstacles they may face. ■

info@delen.be



World economy

2010: an economic analysis

The world economy

After the negative growth in 2009, the economy restored itself in 2010 with a growth of about 5%. This was mainly due to an aggressive government policy. There was however a clear difference between regions. Logically, when stimuli provide crooked government balances, the trust of the bond investors is necessary to generate a positive effect on the economy. This worked in America, where the extreme stimuli resulted in a strong recovery in spite of the constant weak housing and employment market. In Europe there was a big difference between strong countries, such as Germany, and weak countries, such as Greece, Ireland and Spain. The bond investors of the governments were worried about the repayment and this pushed the interest strongly upwards. Greece and Ireland needed to be saved. In the emerging markets the stimuli created a strong recovery that even threatens to become an overheating. Their much healthier economic substructure played its part in this.

United States

In 2010, the economic growth finished at almost 3% (after a negative growth of 2.6% in 2009). There is a growing faith that the recovery can be extended this year and the next. Especially the spending behaviour of the consumer, which represents more than two thirds of the economic growth, will play an important role in this regard. The housing market

remains very weak and the unemployment very high (around 10%). Furthermore, the burden of debt has not decreased to a healthy level and it is very doubtful whether there is already enough confidence to start loaning and spending again. Towards the end the year there were hopeful signals in that direction, but it is probably too early to draw definitive conclusions. The authorities seem to realise this, because they keep injecting fiscal and monetary stimuli to give the recovery more space.

This brings us to a second uncertain factor: will the confidence of the population and, more importantly, of the bond investors stay high enough so the long-term interest can stay low? If not, the recovery will probably be doomed to fade out and the fear for a Japanese scenario will be put in the forefront again. This is not yet the case, but we feel it's smart to remain critical enough about it in this very exceptional economic climate.

Eurozone

After a disastrous 2009 (negative growth of 4%), the economy in the eurozone rose with 1.8% in 2010. Germany was clearly the driving force, as it grew with 3.6% under the impulse of a strong export. France had to settle for a growth of 1.6% and Spain even had a small negative growth under

the pressure of a weakening housing market and an unemployment rate of 20%. Greece stays cut off from the markets and Ireland has now joined them. Portugal was able to roll over part of their debt under marginally acceptable conditions. For Spain, the worst danger seems to be averted. Many years of fiscal cuts, in order to obtain a healthy government balance, will inevitably have an impact on the growth. We can clearly see this in Ireland and Greece already.

The diversity in the economic context of the European countries makes it hard for the authorities to carry out an efficient policy. Strong countries are continually forced to assist weaker countries in their struggle against indebtedness and high interests. Therefore they demand that budget cutting measures are made. We have our doubts about this strategy, because the past has learned us that



Vic Gentils – Composition – 1957
Oil on canvas – 650 x 600mm

The diversity in the European economies makes it difficult for the authorities to manage the economy efficiently

China even - after a strong trimester - had to intervene to pace the growth and to keep the inflation under control



Le rapport annuel de Delen - Private Bank 2009

this can be harmful for growth during a debt crisis.

It is risky for the ECB to try to calm the financial markets by purchasing bonds while the European leaders are working on a temporary and permanent rescue mechanism (resp. the European Financial Stability Facility EFSF and the European Stability Mechanism ESM).

The fear for inflation keeps growing, but we consider the chance for this to happen to be rather small. The increasing inflation expectations are mainly the result of the higher oil and food prices as the core inflation remains in a clearly downward trend. The weak labour market will keep the wage inflation low while the created money is still being used to pay off debts (and does not find its way into the economy as a result). Higher commodity prices will strengthen this process even more, so the economic context is deflationary rather than inflationary.

United Kingdom

After a negative growth of 5% in 2009, the economy was able to increase with 1.7% in 2010. After the elections, which exceptionally lead to two governing parties, gradually stronger budget cutting measures were announced. This suppressed speculation about the loss of the cherished AAA-rating. The fear of deflation seems to fade away, only to be replaced by fear of inflation (an inflation of 3.7% puts the BoE (Bank of England) under increasing pressure to tighten). The hole in the budget (11.5% of the BBP) is mostly

compensated by the combination of budget cutting measures (including wages of officials) and higher public taxes (the raise of VAT and taxes on large assets). The corporation tax, on the other hand, was (surprisingly) reduced.

Eastern Europe

The Eastern European countries witnessed an average growth of more than 3% in 2010. But even here a clear diversity is visible. Hungary (+0.6%) stays dependent on the support of the IMF (International Monetary Fund) and, in this situation, it is worrying that one is increasingly reluctant to accept strong budget cutting measures. On the other hand, the Czech Republic (+2.3%) experienced a remarkable recovery, but whether this is sustainable is still questionable. Poland remained strong throughout the crisis and grew with 3.8% (but the unemployment remained at a high level of 12.3%).

Latin America

Latin America is one of the regions that managed to recover spectacularly. Brazil already appeared reasonably resistant against the global depression in 2009 and even managed to realise a growth of 7.5% in 2010, due to accelerating consumer spending. However, the inflation has risen to 5.6% and the general hope is that this upward trend can be combated with an efficient monetary policy. The economy in Mexico was able to reverse a recession of more than 6% in 2009 with a growth of more than 5% in 2010. The better prospects for the United States and more fiscal

stimuli were the main reasons for the strong revival.

Japan

Despite the still present deflationary scare which kept decreasing the economy with almost 5% in 2009, Japan could also recover itself with a growth of 4.3%. The country is still the record holder in terms of government debts (> 200% of the BBP), which constantly holds back future growth.

Far East (Japan excluded)

China stimulated the most in 2009 and reaped the benefits of its hard work with a growth of more than 10% in 2010. After a very strong first quarter, China even needed to interfere to slow down its growth to keep the inflation at acceptable levels. It did that effectively by regulating the property market more strictly (the prices experienced a climb that was too strong to be healthy), slowing down the credit growth (especially loans to local governments seem to have a dubious nature) and by keeping the door open again for a revaluation of the renminbi. The measures taken by the authorities to suppress traditional cyclical growing pains must be valued because they will ensure growth on the long-term.

The increase of food prices mainly has a strong impact on the inflation in India, which is higher than 8% at the moment. The growth, which remained strong (8.5%), will need to be tempered a bit by means of a more restrictive policy. Authorities realise that consumer spending needs to be stimulated in order to gradually make

the region less dependent of export.

Logically, the other Asian countries can lean on the strong growth of the two superpowers and sway on the waves during the coming years as a result.

Monetary policy

Because of the economic climate that was still vulnerable, the Western authorities decided to keep the short term interest extremely low: 0-0.25% in the US and 1% in the eurozone. However, when halfway through the year the economy turned out to be incapable of making a substantial recovery and the economically essential loaning process remained blocked, especially the US made the switch towards 'quantitative easing'. The official intention of this buy up of bonds was to push the long-term interest downwards. The unofficial intention however, was to win back the investors' trust and to pick up the stock markets. This needed to give the consumer the necessary strength to start borrowing

IMF introduce an emergency fund which allowed member states to ask for help. Greece and Ireland soon required help of the fund and during the entire year there were speculations whether Portugal and Spain would follow in their footsteps. With an inflation above the objective of 2% and the temporary lack of a definitive rescue mechanism for eurozone countries with debt problems, it continues to be a risky matter.

The Bank of Japan kept the interest at 0.10%, while the Bank of England continues to keep a flexible policy. We do notice an increasing ambition to improve the fiscal position and to normalize the policy.

The exchange markets

The crisis in Europe obviously had consequences for the euro, which stayed under pressure during the entire year, when compared to other currencies. The Japanese yen (+22%) and the Swiss franc (+17%) were the

with 22% and the price of gold with 30%. The latter became increasingly popular as a safe harbour against the increased risk of hyperinflation, after the authorities decided to keep the economy standing with significant monetary expansion.

The bond markets

The long-term interest in the eurozone rebounded strongly since late August, but it was still quoted 42 base points lower in 2010 when compared to the end of 2009. In the United States this decrease was no less than 54 base points. The interests thus continued their long-term downward trend. The interests of the more vulnerable European countries had an upward momentum during the entire year. At a certain moment, even Greece's ten-year paper nearly offered an additional 10%. Also, the Belgian long-term interest eventually went up with 26 base points and the difference with Germany's interest became 97 base points.

The crisis in Europe obviously had consequences for the euro, which stayed under pressure during the entire year, when compared to other currencies

and spending again. This way, the FED hopes to permanently push the risk of deflation into the background, and towards the end of the year this seemed to be working. The low interests and the stock markets reached their low point late August and rebounded strongly since then.

To combat the eurozone crisis, the ECB also took a couple of unconventional measures. Credit lines of unlimited liquidity were put into place for a couple of troubled banks, especially in Ireland. Even a European variant of quantitative easing was launched: the purchase of the weaker states' government paper. And the Ministers of Finance and the

biggest winners among the major currencies. But also the American dollar (+7%) and the British pound (+3%) benefited from this. China is once again leaving some space to let the renminbi be appreciated again, but this will only happen very gradually. The Asian currencies have the most healthy fundamentals, but the region has large differences and the volatility can greatly influence the returns.

Commodities

The growing hope of a sustained economic recovery also fed the commodity prices. Oil prices went up

The market for corporate bonds continued to perform rather well, as the corporate results were able to persuade an increasing number of investors that their balances were in order again. The difference in interests with government bonds reached a slightly reduced level, but the return was still reasonable, when compared to other asset classes.

Stock markets

The stock markets have had a volatile year. The first quarter characterized itself by a further recovery of the exchange rate, but during the second

quarter a disillusion followed as the debt crisis broke out. During the second half of the year, we witnessed a volatile upward momentum, although this was not the case in all the regions. A majority of emerging countries and the US were able to record double digits for the output of their stock market while the European exchange market ended the year in red.

Throughout the entire year an increasing number of companies and banks made use of the relatively favourable market conditions in order to raise capital through increases in capital and bond emissions. The IPO market (Initial Public Offering) experienced a delay, but there was some activity thanks to M&A (Mergers & Acquisitions). Quarter after quarter, companies surprised

by producing strong results. The market's expectations were met and even exceeded, but this will become harder and harder during the quarters to come. Nevertheless, it looks like the companies are reaching a normal level of profitability again, while the appreciations are still quite reasonable in many cases. ■

Strategy Delen – Private Bank

2010

Taking into account the vulnerability of the economic recovery, we continued to carry out a defensive strategy in the stock component. We put the focus on healthy companies of which we know they will survive the crisis and which are able to combine a high dividend return with a relatively low valuation. We almost completely ignored the financial sector. During the entire year, we also searched for opportunities to focus more on the Asian region, which is healthier in an economic point of view. These opportunities were scarce, due to the strong outperformance of the stocks and funds related to the region. Being loyal to our conservative management principles, we did not have any debt securities of the most targeted countries, as far as bonds are concerned. As for the bonds of strong governments, we continued to keep a short runtime in order to protect ourselves against the risk of a sudden interest boost. The focus was mainly on corporate bond where we were able to realise attractive returns in a diversified manner. The importance of the euro within our currency allocation was gradually reduced.

2011

We expect 2011 to be another volatile financial year. More than ever, it will be necessary to follow the market very closely. We will continue to pursue limited risks for our portfolios. Nevertheless, we are convinced that good investment opportunities will arise and that we are ideally positioned to use them as efficiently as possible.

Although we do not expect the rise of the long-term interest to last long, we do have shifted some money from bonds into shares. However, we are not yet overweight in the latter category. After all, the Western countries still need to implement more extreme government stimuli to somewhat compensate for the emptying of their debt bubble. In the US, this clearly has a positive effect on the economy, but the valuation is too high to increase the weight in the region. Although the valuation in Europe is relatively attractive, we do fear that the policy will prove to be ineffective and that the announced budget cutting measures might cause the deflation ghost to return.

The rising inflation expectations in the emerging countries might give us the opportunity to gradually increase the volume in stocks, bonds and currencies, mostly of the Asian region. After all, we are confident that the authorities have the local situation under control and that they are taking the right measures to keep the economy healthy. ■

*We expect 2011 to be another
volatile financial year.
More than ever, it will be
necessary to follow the market
very closely*

Financial overview

Delen – Private Bank in figures

Delen – Private Bank (subsidiary of Delen Investments Comm. V.A.) focuses on asset management and patrimonial advice for a broad clientele of mainly private individuals. The managed assets kept growing and reached a historical record of 15,3 billion euro on 31 December 2010. Yet again, Delen – Private Bank strengthened its position in the Belgian Private Bank industry.



Edmond Van Dooren – Futuristic composition – 1920
Oil on canvas – 660 x 570mm

Financial overview 2010

(Delen Investments Comm. VA consolidated)

Delen – Private Bank had a very strong year. The managed assets had another record growth in 2010 and reached 15.272 million euro at the end of the year (compared to 13.243 million euro on 31 December 2009). Since the end of 2008, the entrusted funds have increased with 4.9 billion euro, which is 47.7%.

On the one hand, Delen – Private Bank benefited from the impact the reviving financial markets had on its client portfolios, but on the other hand, also recorded an important net growth of new assets, both from existing and new clients. The fact that this influx of assets even surpassed the record level of 2009, reflects the clients' confidence in Delen – Private Bank. The prudent investment strategy combined with the dynamic and prudent management model keeps proving added value.

The company's gross profit increased to 141 million euro, primarily because of the higher level of assets under management and the purchases resulting from the decline of the cash component in the clients' portfolio. In comparison with 2009, the gross income went up with 36.5% and the running costs with 19.0%. At the end of 2010, group Delen had 232 employees. The cost-income ratio is very competitive with 41.7% (48.3% in 2009) and the net profit amounted to 54.3 million euro (37.6 million euro in 2009).

The group's consolidated equity increased to 344.1 million euro on 31 December 2010 (compared to 303.6 million euro on 31 December 2009). The total regulatory equity (taking into account the intangible fixed assets of 177.4 million euro) increased up to 144.9 million euro at the end of the year (compared to 132.0 million euro at the end of 2009).

Delen – Private Bank is well-capitalised and the group amply meets the current Basel III requirements in terms of equity.

Thanks to a record growth of new assets, the market share of Delen – Private Bank in the Belgian private banking market continues to grow



Eric Lechien, CFO of Delen - Private Bank

Delen – Private Bank is well-capitalised and the group applied comfortably the known Basel III requirements in terms of equity. The Core Tier-1 capital ratio amounted to 25.3% at the end of the year. The decrease of the ratio is an expected evolution, due to the decision to reorient the investments from being almost entirely based on government bonds to a more diversified portfolio. This diversification resulted in slightly elevated interest rates and increased regulatory capital requirements. Delen – Private Bank has a solid and easily understandable balance at its disposal. The cash balances continue to be conservatively invested in high-grade government paper (no PIGS exposure), as well as in high-grade short-term

liabilities of blue-chip companies, short-term liabilities with high-quality banks or placed with the National Bank. The impact of the Basel III rules will be little for Delen – Private Bank, seen as how the bank's capital only consists of Core Tier1 capital, the investment portfolio is conservative and the bank's ratios already exceed the future requirements by a comfortable margin. The return on the (average) equity adds up to 16.8%, a very satisfying number. ■

Delen - Private Bank (consolidated) - in thousands of euros

	2010	2009	2008	2007	2006	2005
Assets under management	15.272.179	13.242.868	10.342.784	12.125.735	8.416.378	7.471.537
of which discretionary	10.816.499	8.901.127	7.048.538	8.718.820	5.579.413	4.748.455
Total value of funds promoted by group Delen	8.709.091	7.625.547	5.968.774	6.159.919	2.152.079	1.720.584
Equity	217.488	182.309	158.099	132.407	132.588	120.107
Gross revenues	141.193	103.442	104.738	103.212	80.479	72.908
Net profit (share of the group)	54.704	35.962	33.375	36.586	29.393	25.952
Cost-income ratio	40,3%	47%	45%	39%	40%	38%

Delen Investments (consolidated) - in thousands of euros

	2010	2009	2008	2007	2006	2005
Assets under management	15.272.179	13.242.868	10.342.784	12.125.735	8.416.378	7.471.537
Equity (share of the group)	344.089	303.597	281.083	246.021	148.711	134.380
Net profit (share of the group)	54.281	34.570	32.469	36.714	30.007	25.901
Cost-income ratio	41,7%	48%	46%	45%	43%	43%
Staff	232	214	215	210	168	168

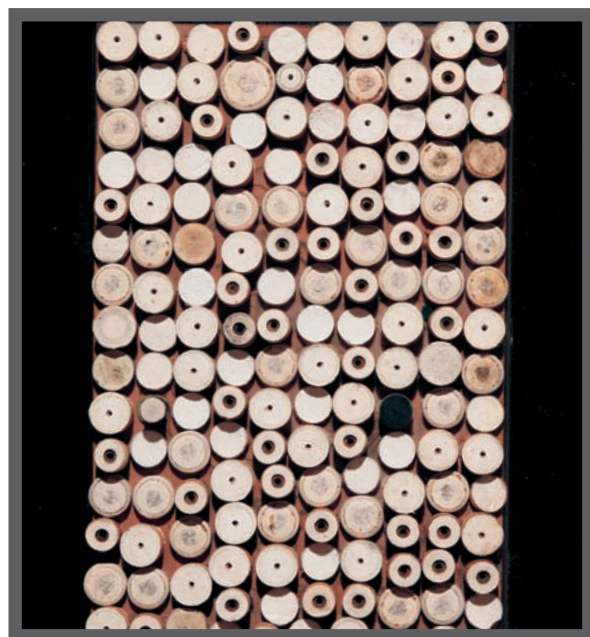
Operational overview

2010

In 2010, Delen – Private Bank continued to focus on applying its dynamic and diligent investment principles. In spite of the strong growth of the managed assets during the past couple of years, the bank's asset management approach stayed the same and continues to prove its added value.

Just like 2009, the financial year 2010 was an atypical one, with fast evolving markets wherein deep concerns changed into great euphoria. Most of the emerging countries and the US witnessed double digits on the returns of their stock markets, but the European stock market finished the year in red. The Euro came under great pressure and the interests of certain countries hit record depths while those of other countries grew considerably. During the past two years, Delen – Private Bank has reinvested the large cash positions and incoming capital within these volatile financial markets. While doing so, Delen – Private Bank continued to give preference to companies with healthy balances that are present in the growing markets, as well as defensive and undervalued industries. As for the portion of government bond in the clients' portfolio, the Bank continued to choose for short-term investments and governments of high quality. Being loyal to its conservative management principles, the Bank did not have any debt papers of the most targeted countries and only limited financial shares in the portfolio of its clients. Careful investments in foreign currencies also contributed to the diversification of the portfolios.

Thanks to a record growth of new assets, the market share of Delen – Private Bank in the Belgian private banking market continues to grow. All offices of Delen – Private Bank contributed to this, and the focus of the growth shifts from the historical divisions to the new offices. Two thirds of the net capital inflow now comes from the offices outside the Antwerp headquarter. The investments in local teams bear their fruits and encourage Delen – Private Bank to keep developing its network with investments in personnel and buildings (including in Brussels and Ghent) in order to receive and serve its clients even better. In 2011, Delen – Private Bank will once again hire new employees and train them to support this growth.



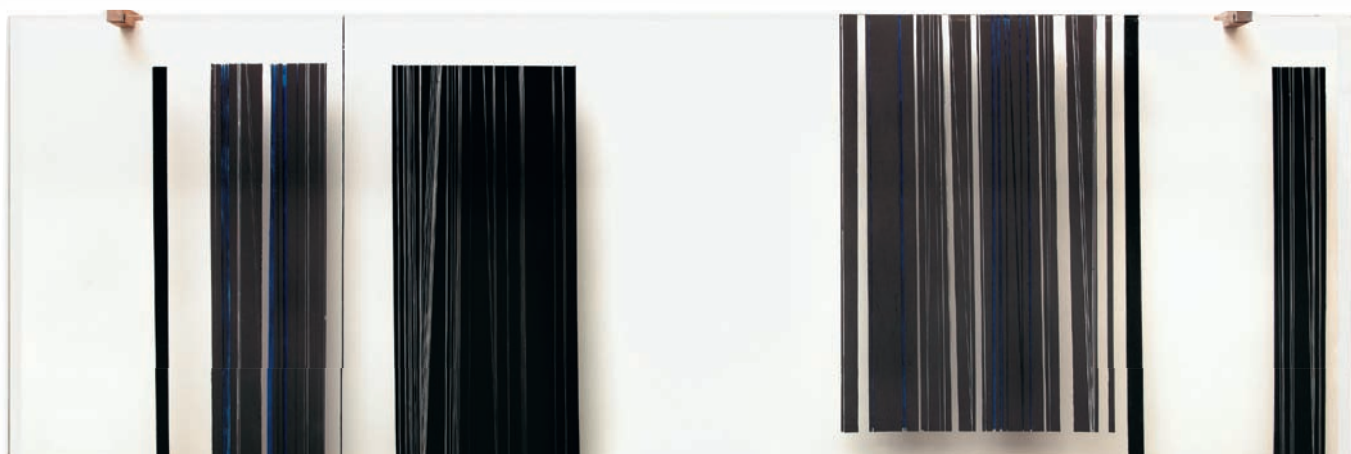
Vic Gentils – Composition – 1963
Felt of mechanical piano on wood relief – 430 x 300mm

With its 41 offices, Bank J. Van Breda & C° significantly contributed to the result of Delen – Private Bank again. On 31 December 2010, Delen – Private Bank managed 1.968 million euro for accounts of clients who were recruited by the network of Bank J. Van Breda & C°. Furthermore, Delen – Private Bank looks after the stock administration of Bank J. Van Breda & C° (270 million euro). By doing so, Bank J. Van Breda & C° represented about 15% of the total managed assets of Delen – Private Bank.

In 2010, Delen – Private Bank continued its strategy in order to optimise the quality and efficiency of the asset management, by striving for a larger share of management mandates. At the end of 2010, 71% (10.816 million euro) of the assets entrusted to Delen – Private Bank were managed directly discretionary or by own patrimonial funds. This now represents more than 15.000 management mandates. The discipline shown by Delen – Private Bank in the applications of its model is shared by all its commercial teams. The management model of Delen – Private Bank grows stronger after each acquisition. Capital & Finance, which was purchased in 2007, also introduced additional knowhow in terms of dynamic portfolio management through patrimonial funds. This is now an integral part of the Banks' strategy, within the family of integrated Hermes Universal funds. ■

Annual accounts

2010



Luc Peire – Grafie – Glass – 1964
Synthetic paint on glass, mounted on panel – 350 x 1000mm

Consolidated annual accounts

Income statement

	2010	2009	2008
GROSS REVENUES	141.193	103.442	104.738
Net interest margin	3.457	7.096	10.923
Gross fee income	133.787	93.587	97.172
Profit on financial instruments measured at fair value through profit or loss	327	972	-3.509
Realised gains on financial assets available for sale	1.320	1.084	-138
Other income	2.303	704	289
FEES PAID	-15.995	-11.964	-13.416
EXPENSES	-49.838	-41.762	-43.057
Staff expenses	-28.280	-26.272	-24.678
General and administrative expenses	-17.897	-12.425	-15.695
Depreciation	-3.266	-2.478	-2.417
Provisions	-88	57	-177
Impairment	-15	25	246
Other expenses	-293	-670	-337
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	75.361	49.716	48.265
Share in the profit (loss) of mutual subsidiary companies on basis of the equity method			
PROFIT BEFORE TAX	75.361	49.716	48.265
Income taxes	-20.488	-13.573	-14.780
PROFIT AFTER TAX	54.873	36.143	33.485
Minority interest	-169	-181	-110
NET PROFIT	54.704	35.962	33.375

In thousands of euros

Consolidated annual accounts

Balance sheet

	2010	2009	2008
ASSETS	1.321.291	1.214.566	1.581.325
Cash and balances with central banks	14.151	81.943	229.533
Financial assets held for trading	12.396	11.856	8.187
Loans and advances to banks and other counterparties	317.705	273.254	327.239
Loans and advances to clients	66.040	52.498	84.674
Financial assets available for sale	836.997	748.871	883.803
Loans and advances of interest on financial assets			4.229
Tax assets	2.753	1.544	989
Tangible assets	28.179	17.016	14.432
Client relationships	24.643	24.848	24.864
Other intangible assets	827	289	143
Other assets	17.601	2.446	3.232
LIABILITIES AND EQUITY TOTAL	1.321.291	1.214.566	1.581.325
<i>Liabilities</i>	1.103.377	1.032.257	1.423.226
Financial liabilities held for trading	8.451	4.630	4.435
Deposits from credit institutions and other counterparties	4.710	7.600	3.723
Deposits from clients	1.064.557	993.021	1.385.693
Due interests on financial instruments			141
Provisions	725	680	844
Tax liabilities	11.203	11.829	15.995
Other liabilities	13.731	14.496	12.395
<i>Equity</i>	217.915	182.309	158.099
Equity share group	217.488	182.051	157.922
- Subscribed capital	42.261	42.261	42.261
- Revaluation reserve	4.562	5.018	5.022
- Consolidated reserve	170.665	134.772	110.639
Minority interests	427	258	177

In thousands of euros

Statutory annual accounts

Balance sheet after appropriation – Assets

	2010	2009
I Cash in hand, balances with central banks and post office banks	13.235	80.828
II Treasury bills eligible for refinancing with central banks	420.207	400.896
III Loans and advances to credit institutions	277.349	240.206
A. Repayable on demand	45.885	45.793
B. Other loans and adv. (with agreed maturity dates)	231.464	194.413
IV Loans and advances to customers	59.433	42.707
V Debt securities and other fixed-income securities	353.836	285.348
A. Issued by public bodies	131.305	122.554
B. Issued by other borrowers	222.531	162.794
VI Shares and other variable-yield securities	1.735	2.060
VII Financial fixed assets	1.757	1.757
A. Participating interests in affiliated enterprises	1.755	1.755
B. Participating interests in other enterprises linked by participating interests	2	2
C. Other shares held as financial fixed assets		
D. Subordinated loans to affiliated enterprises and to other enterprises linked by participating interests		
VIII Formation expenses and intangible fixed assets	2.397	2.442
IX Tangible fixed assets	29.866	19.067
XI Other assets	345	324
XII Participating interests in affiliated enterprises	11.170	2.257
TOTAL ASSETS	1.171.329	1.077.892

In thousands of euros

Statutory annual accounts

Balance sheet after profit distribution – Liabilities

		2010	2009
	LIABILITIES	1.080.214	1.001.253
I	Amounts owed to credit institutions	237.880	306.803
	A. Repayable on demand	234.581	306.314
	C. Other debts with agreed maturity dates or period of notice	3.300	489
II	Amounts owed to costumers	792.209	653.612
	A. Savings deposits	11.012	9.457
	B. Other debts	781.197	644.155
	1 Repayable on demand	667.492	558.096
	2 With agreed maturity dates or period of notice	113.706	86.059
IV	Other liabilities	42.652	33.538
V	Accrued charges and deferred income	231	14
VI	Provisions and deferred taxation	219	263
	A. Provisions for liabilities and charges	173	215
	1 Pensions and similar obligations	112	154
	3 Other liabilities and charges	61	61
	B. Deferred taxes	46	48
VII	Fund for general banking risks	7.023	7.023
	CAPITAL AND RESERVES	91.115	76.639
IX	Capital	41.850	41.850
	A. Subscribed capital	41.850	41.850
X	Share premium account	411	411
XII	Reserves	4.274	4.278
	A. Reserve legal	4.185	4.185
	C. Untaxed reserves	89	93
XIII	Profits (losses) brought forward	44.579	30.100
	TOTAL LIABILITIES	1.171.329	1.077.892

In thousands of euros

Statutory annual accounts

Profit and loss account

	2010	2009
I Interest receivable and similar income	10.153	14.011
of which from fixed-income securities	6.278	9.096
II Interest payable and similar charges	-5.466	-8.049
III Income from variable-yield securities	17.720	11.246
A. From shares and other variable-yield securities	78	27
B. From participating interests in affiliated enterprises	17.569	11.084
D. From other shares held as financial fixed assets	73	135
IV Commissions receivable	82.629	57.872
V Commissions payable	-19.482	-14.853
VI Profit (Loss) on financial transactions	8.082	3.691
A. On trading of securities and other financial instruments	6.795	2.608
B. On disposal of investment securities	1.287	1.083
VII General administrative expenses	-32.146	-28.085
A. Remuneration, social security costs and pensions	-21.058	-19.251
B. Other administrative expenses	-11.088	-8.834
VIII Depreciation/amortisation and other write-downs on formation expenses, tangible and intangible fixed assets	-3.167	-2.651
IX Decrease/Increase in write-downs on receivables and in provisions for off balance sheet captions I. Contingent liabilities and II. Commitments which could give rise to a risk	14	20
X Decrease/Increase in write-downs on the investment portfolio of debt securities, shares and other fixed-income or variable-yield securities	407	277
XI Utilisation and write-backs of provisions for liabilities and charges other than those included in the off balance sheet captions I. Contingent liabilities II. Commitments which could give rise to a risk	-45	-96

In thousands of euros

Statutory annual accounts

Profit and loss account

		2010	2009
XII	Provisions for liabilities and charges other than those included I.Contingent liabilities II.Commitments which could give rise to a risk	-2	
XIV	Other operating income	491	672
XV	Other operating charges	-753	-782
XVI	Profits (losses) on ordinary activities before taxes	57.681	33.465
XVII	Extraordinary income	46	35
	D. Gain on disposal of fixed assets	46	32
	E. Other extraordinary income		3
XVIII	Extraordinary charges	-14	-21
	A. Extraordinary depreciation/amortisation of and extraordinary write-downs on formation expenses intangible and tangible fixed assets		
	D. Loss on disposal of fixed assets	-14	-21
XIX	Profit (Losses) for the period before taxes	57.714	33.479
XIX-bis.	Transfer to deferred taxes	2	2
XX	Income taxes	-13.650	-7.778
	A. Income taxes	-13.900	-7.778
	B. Adjustment of income taxes and write-back of tax provisions	250	
XXI	Profit (Losses) for the period	44.066	25.703
XXII	Transfer to untaxed reserves	4	4
XXIII	Profit (Losses) for the period available for approbation	44.070	25.707

In thousands of euros

Statutory annual accounts

Off-balance sheet captions

	2010	2009
I Contingent liabilities	4.049	5.159
B. Guarantees serving as direct credit substitutes	3.107	2.628
C. Other guarantees	942	2.531
II Commitments which could give rise to a risk	214.883	104.736
A. Firm credit commitments		
B. Commitments as a result of spot purchases of transferable or other securities	211.723	101.761
C. Undrawn margin on confirmed credit lines	3.160	2.975
III Assets lodged with the credit institution	26.374.634	18.913.549
A. Assets held by the credit institution for fiduciary purposes		
B. Safe custody and equivalent items	26.374.634	18.913.549

In thousands of euros

Statutory annual accounts

Approbation account

		2010	2009
A	Profit (Losses) to be appropriated	74.170	51.621
	1. Profits (Losses) for the period available for appropriation	44.070	25.707
	2. Profit (Losses) brought forward	30.100	25.914
C	Appropriations to capital and reserves		
	2. To legal reserve		
	3. To other reserve		
D	Result to be carried forward	44.579	30.100
F	Distribution of profits	29.591	21.521
	1. Dividends	29.591	21.521

Brussels Antiques and Fine Arts fair



Stand Delen - Private Bank on BRAFA 2007



Stand Delen - Private Bank on BRAFA 2008



Stand Delen - Private Bank on BRAFA 2009



Stand Delen - Private Bank on BRAFA 2010

Delen - Private Bank, official partner of BRAFA since 2007



Stand Delen - Private Bank on BRAFA 2011

Supporting fine arts

At the start of 2011, Delen – Private Bank was partner and main sponsor of the Brussels Antiques & Fine Arts Fair (BRAFA) for the fifth time in a row.

From the 21st until the 30th of January 2011, no less than 130 prominent art dealers from Belgium and abroad exhibited thousands of sublime artefacts at Tour & Taxis, Brussels.

Delen – Private Bank's BRAFA stand and its art collection, which has been present during the past six years, is regarded to be an inviting lounge where a lot of guests and visitors are welcome during 10 days.



Stand Delen - Private Bank on BRAFA 2011

Delen – Private Bank is determined to continue its artistic course

The slogan 'Delen – Private Bank, Supporting Fine Arts' underlined the harmony between partners and the displayed art collection. Our clients had the opportunity to have a drink and enjoy works of art from famous painters such as Gaston Bertrand, Vic Gentils, Louis Van Lint, Michel Suephor, Paul Van Hoeydonck, Marc Mendelson, Walter Leblanc, Camiel Van Breedam,... which were mixed with the design furniture of Poul Kjaerholm, Piet

Hein, George Nakashima, Arne Jacobson and African "Mumuyés" and "Yahouré" masks from Ivory Coast.

And once again, Delen – Private Bank treated its clients to guided tours by professionals. Thanks to this active participation, an increasing number of clients and guests found their way to BRAFA. Delen – Private Bank is determined to continue its artistic course. Needless to say, we have already committed to participate to BRAFA 2012. ■

www.brafa.be



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